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FBIS-EAS-95-065 *5 April 1995*

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Japan

MITI Denies U.S. Claim on Auto Market

OW0504134095 Tokyo KYODO in English 1326 GMT 5 Apr 95

[FBIS Transcribed Text] Tokyo, April 5 KYODO—Japan's Ministry of International Trade and Industry (MITI) on Wednesday [5 April] issued a survey report that denies the U.S. claim that Japanese auto dealer networks, interlocked in a clubby "keiretsu" corporate grouping, discriminate against foreign models.

The ratio of Japanese dealers handling both Japanese and foreign models increased from 6 percent in 1986 to 39 percent in 1992, according to the survey conducted by the Mitsubishi Research Institute and other private bodies for MITI.

In terms of dealer outlets, the ratio rose from 5 percent to 18 percent during the same period, it said, noting the latest figure is not far from the current 22 percent ratio in the United States.

The survey called for U.S. automakers to make greater marketing efforts in Japan.

Specifically, it proposed that U.S. makers emulate German makers BMW AG and Mercedes-Benz ag in building their own exclusive dealer networks.

It also recommended that U.S. carmakers introduce models tailored to Japanese motorists, such as smaller-size cars and right-hand-drive cars.

Only three right-hand-drive models manufactured by the "big three" automakers are available in Japan, while European makers offer over 100, according to the survey.

In the Japanese market, European makers sell 124 models with an engine displacement of 2000 cc or less, a segment that accounts for 80 percent of Japan's total car market, while no such model is sold by the big three—General Motors Corp., Ford Motor Co. and Chrysler Corp.

The survey also citcd the need for Japanese makers to use their dealer networks for sales of American imports.

In 1991, there were 4,400 auto dealers in Japan. Their combined outlets totaled 18,000 in 1990.

Despite long discussion, Tokyo and Washington still remain apart over ways to increase American access to Japan's auto market.

Dealerships are a key area of conflict, along with ways to deregulate the replacement parts market under the bilateral auto talks, part of the "Framework" negotiations.

Editorial Urges Defusing Trade Friction

OW0504102395 Tokyo YOMIURI SHIMBUN in Japanese 4 Apr 95 Morning Edition p 3

[Editorial: "Tokyo, Washington Urged To Base Their Trade Talks on the Spirit of WTO"]

[FBIS Translated Text] Four months have passed since the inauguration of the World Trade Organization (WTO). Now that former Italian Trade Minister Renato Ruggiero has been tentatively chosen as director general of the WTO and the chairmen of major WTO commissions have been appointed, the WTO will begin full-fledged activities.

We hope the WTO will carry out its activities to promote the wide-ranging liberalization of global trade on the basis of the results of the GATT.

Just at this time, both Japan and the United States released their respective annual reports outlining the results of their checks on each other's trading practices. Their reports are the "1995 Report on Unfair Trading Practices" compiled the Industrial Structure Council (an advisory body to the Minister of International Trade and Industry) and the "1995 Report on Foreign Trade Barriers" compiled by the U.S. Trade Representative.

The highlights of the two reports are that they focus their criticism on each other's stance in the negotiations on automobiles and auto parts held under the Japan-U.S. economic Framework Talks.

The automobiles and auto parts sector is the last sector still unresolved in the Japan-U.S. economic Framework Talks. The negotiations on automobiles and auto parts will enter the final phase on the eve of the talks between Japanese and American ministers in charge of trade affairs that will be held when they attend the quadrilateral ministerial talks scheduled for early May.

The two countries, which have a great effect on world trade, should resolve their pending trade issues according to the WTO's trade rules and the "principles of a market economy" while curbing their governments' intervention and contribute to promoting the liberalization of world trade. The United States, which has launched an investigation into replacement auto parts in Japan as a preliminary action to invoking the Super 301 Provision of the 1988 Omnibus Trade Act, has demanded that 1) the Japanese Government widely relax regulations on the use of replacement auto parts, and 2) that Japanese automakers increase the sales of foreign-made automobiles by their affiliated car dealerships. The United States also has asked Japanese automakers to increase their purchase of U.S.-made auto parts.

Japan is refuting the U.S. demands by claiming that 1) it cannot negotiate with the United States on replacement auto parts under the threat of invocation of the Super 301 Provision of the 1988 Omnibus Trade Act, and 2) it will work to help U.S. automakers and Japanese car dealerships hold business talks, but the U.S. demand to increase sales of foreign-made automobiles by Japanese car dealerships is unreasonable.

The report on unfair trading practices compiled by the Industrial Structure Council warns that if the U.S. Government forces Japanese automakers to further increase

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their purchase of U.S.-made auto parts in their purchase plans, this would be an act inconsistent with the "principles of a market economy."

On the other hand, the report on foreign trade barriers compiled by the U.S. Trade Representative suggests that the United States will take a more confrontational stance with Japan and hints at the possibility of moving up the deadline for slapping sanctions on Japan by saying, "The United States will complete the investigation into the replacement auto parts in Japan before 1 October (the investigation's deadline)."

Despite the continuing confrontation between Japanese and U.S. Governments over the automobiles and auto parts, foreign-made automobiles, including U.S.-made ones, are attractive on the Japanese market and the number of car dealerships who sell foreign-made automobiles and the sales of foreign-made automobiles are sharply on the rise. Japanese automakers are expected to achieve their 1994 purchase plans for U.S.-made auto parts by buying $19 billion worth of U.S.-made auto parts.

Japan needs to make further efforts to precipitate this trend by relaxing regulations on the use of replacement auto parts that will benefit Japanese consumers.

The United States should fairly appreciate the increase in Japan's imports, abandon the stance of forcing Japan to go along with its demands while hinting at the invocation of the Super 301 Provision of the Omnibus Trade Act, and take a fair stance of seeking areas of agreement with Japan.

If the Clinton administration intends to score domestic points on the eve of the presidential election scheduled for next year by making high-handed demands on Japan, this would only intensify trade friction between Japan and the United States and stand in the way of promoting the world trade liberalization for which the WTO is aiming.

Source Denies Suspension of Loans to Iran

OW0404234295 Tokyo KYODO in English 2317 GMT 4 Apr 95

[FBIS Transcribed Text] Washington, April 4 KYODO—A Japanese diplomatic source confirmed Tuesday [4 April] that an envoy from Tokyo is unofficially contacting U.S. officials in a bid to mend fences with the United States over Japan's loan program to Iran.

Nobuo Matsunaga, who served as ambassador to the U.S. in the 1980s, is exchanging views with U.S. officials through "personal" contacts to explore the U.S. stance on Japan's second yen-denominated loans to Iran, the source said.

But the source denied that Matsunaga is in Washington as a government emissary as when he visited Iran in March to discuss the issue.

Matsunaga arrived in Washington on Monday after attending a conference related to U.S.-Japan security in San Francisco in late March. He is scheduled to leave for Tokyo on Wednesday.

The source also brushed off reports that Japan has suspended the loan program, stressing that Tokyo has only decided to "put off" its decision on whether to disburse the funds.

Washington has repeatedly asked Tokyo to cancel its planned extension of the second 45 billion yen portion of official development assistance [ODA] to Teheran because the U.S. has designated Iran as a country sponsoring terrorist activities.

Japan resumed the ODA program to Iran in May 1993, thawing an 18- year freeze on official lending to Teheran.

Tokyo provided 38.6 billion yen in credit as a first installment for a hydroelectric power project on the Karun River.

The decision on the second program was initially scheduled to be made last summer but was postponed after a U.S. appeal to Tokyo to scrap the financing deal.

Tokyo To Propose Talks With Pyongyang

OW0504024895 Tokyo KYODO in English 0233 GMT 5 Apr 95

[FBIS Transcribed Text] Tokyo, April 5 KYODO—Prime Minister Tomiichi Murayama expressed his desire Wednesday [5 April] to normalize relations between Japan and North Korea.

"It is unnatural to have no diplomatic ties with a neighboring country for 50 years. Needless to say, it is better to have ties," the premier told reporters at his official residence.

Tokyo and Pyongyang are now able to reopen the deadlocked negotiations to normalize their relations in the wake of an accord reached last week among Japan's ruling coalition parties and North Korea's Ruling Workers Party of Korea.

The Japanese and North Korean parties called for early resumption without preconditions of the bilateral talks, which have been stalled since November 1992.

Tokyo plans to ask Pyongyang to hold preliminary talks to reopen normalization negotiations in a third country in the first half of this month, according to Japanese Government sources.

MOF Rejects EU Complaint on Liquor Taxes

OW0404020795 Tokyo KYODO in English 0132 GMT 4 Apr 95

[FBIS Transcribed Text] Tokyo, April 4 KYODO—The Ministry of Finance [MOF] has rejected a complaint filed by the European Commission (EC) with the World

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Trade Organization (WTO) regarding Japan's taxes, which the commission views as "discriminatory," ministry officials said Tuesday [4 April].

The EC, the executive body of the European Union (EU), said Monday in a statement that the Japanese tax system on liquor discriminates against European exports, noting that whiskey and brandy continue to be taxed between four and six times more heavily than "shochu," a Japanese liquor.

The EC said it will consult EU member states and seek a ruling by the WTO on Japan's liquor taxes.

The ministry's tax bureau, however, said that Japan does not take discriminatory measures against imported liquors and pointed out that the Japanese Government raised the tax rate on shochu in 1989 and 1994.

Rather than competing with imported liquors, shochu competes in the Japanese market with Japanese sake, or rice wine, the ministry officials said.

The bureau will try to persuade the EC of this viewpoint through talks at the WTO, if the EU officially decides to go ahead with its complaint to the world trade body, they said.

Takemura Intends To Meet Rubin on Yen

OW0504125595 Tokyo ASAHI SHIMBUN in Japanese 4 April 95 Evening Edition p 1

[FBIS Translated Text] Foreign Minister Masayoshi Takemura disclosed his intention to hold a meeting with Treasury Secretary Robert Rubin in the near future to talk about measures to deal with the rapid appreciation of the yen. Takemura made the announcement at a ministerial meeting held on 4 April. Takemura and Rubin are scheduled to attend a ministerial meeting of the Asia-Pacific Economic Cooperation (APEC) forum, which is to be held on 15 and 16 April at Bali in Indonesia, and a meeting of finance ministers and central bank governors of the seven industrialized countries meeting (G7) slated for late April. Because of this, both leaders are expected to hold meetings at that time to exchange views on various matters, including the stabilization of foreign exchange rates. Moreover, at the 4 April meeting, other ministers called for an early compilation of a supplementary budget for fiscal 1995 and Takemura explained his positive views.

At the ministerial meeting, Ryutaro Hashimoto, minister of international trade and industry; Shizuka Kamei, minister of transportation; and other ministers said: "Because of the earthquake and the sarin attack, there is growing fear among the people. The situation will become serious if the strong yen creates economic uncertainty. The government should introduce active measures to deal with the strong yen." In this way, they called for an early compilation of a supplementary budget, reduction of the official discount rate, and promotion of international cooperation between Japan, the United States, and Germany to stabilize foreign exchange rates.

In response, Finance Minister Takemura explained: "Japan, the United States, and Germany—Japan and the United States, in particular—are acting in concert with each other whi' constantly consulting with each other. The United States wants the dollar to become strong." He then clarified his intention to discuss the issue with Treasury Secretary Rubin, saying: "I would like to meet U.S. officials to talk about the issue."

No 'Quick Fix' Seen Likely for Yen's Surge

OW0404142195 Tokyo KYODO in English 1336 GMT 4 Apr 95

[FBIS Transcribed Text] Tokyo, April 4 KYODO—The government Tuesday [4 April] voiced its resolve to piece together measures to arrest the yen's unabated rise against the dollar, but such steps are unlikely to bring a "quick fix."

Measures now under consideration by government ministries and agencies are not so fresh and may end up only highlighting the difficulties facing the government of Prime Minister Tomiichi Murayama, analysts warn.

On Tuesday, the U.S. dollar sank to a new record low of 85.55 yen in Sydney trading before rallying somewhat in later Tokyo trading, despite the U.S. Treasury Department's confirmation of joint market intervention with Japan the previous day in Asian trading.

The Finance Ministry is now planning to draft as soon as possible a supplementary budget for fiscal 1995 which started last Saturday. The new budget is expected to include steps to reconstruct the Kobe area devastated by the Jan. 17 earthquake.

Spending on general public works projects is also likely to be boosted as part of steps to aid smaller businesses hard hit by the yen's appreciation, according to ministry sources.

A senior official of the ministry's budget bureau maintains that the extra budget is certain to have the effect of stimulating the economy because public works expenditures will be increased sharply to finance reconstruction work in kobe. But analysts are skeptical about the effect of the greater public spending on the Japanese economy as a whole if such works are limited to the quake-ravaged area.

On the monetary front, a ranking official of the Finance Ministry says the economy would not be significantly buoyed up even if the Bank of Japan cuts its official discount rate.

The dominant view among market players is that a key-rate reduction of 0.5 percentage point from the present 1.75 percent per annum has already been discounted in financial markets.

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"It is indispensable for the central bank to slash the discount rate by as much as 0.75 point or more in order to stem the the high yen," said a currency dealer at a major commercial bank.

The crucial question is whether or not Japan, the United States and European countries will be able to coordinate approaches to defend the dollar's value, analysts say.

Finance Minister Masayoshi Takemura and U.S. Treasury Secretary Robert Rubin are expected to hold bilateral talks April 15 when they attend a finance ministers' meeting of the Asia-Pacific Economic Cooperation (APEC) forum in Bali, Indonesia.

The talks will be followed by a meeting of finance ministers and central bankers from the Group of Seven (G-7) industrialized powers, which is expected to take place in Washington on April 25.

Tokyo hopes to see the G-7 meeting come out with a firm commitment to stabilize currency markets, but Finance Ministry officials seem dubious about Washington's stance.

A senior official of the Finance Ministry said, "I doubt whether the U.S. will grapple earnestly with the problem of defending the dollar because the U.S. economy is not hurting from the cheap dollar."

To cope with the yen's sustained strength, the Japanese economy needs to press ahead with the internationalization of the yen, analysts say.

Japanese manufacturers should seek to boost the ratio of yen-denominated exports to overall exports from the present 60 percent so that export-oriented industries can dodge the adverse effects of the yen's rise, analysts say, noting that the ratio of mark-based exports in Germany stands at a high 80 percent.

In order to expand yen-based deals, Japan needs to make the yen more attractive in international financial markets. This requires further deregulation in domestic foreign exchange and capital markets, analysts say. But it is hard to implement such deregulation in a short period of time.

Finance Minister Takemura has instructed ministry officials to consider crafting measures to restore vitality to the beleaguered stock market. The instructions met with a cool response from securities bureau officials, however.

One bureau official said, "Mr. Takemura is well aware of the absence of a quick fix for the recovery of the equity market. The market is not likely to really pick up as long as the yen stays strong."

The business community calls for the abolition of the securities transaction tax as a way of buoying the stock market. But it is deemed difficult to do away with the tax at an early date because its abolition requires a revision of the laws concerned.

BOT Chairman Advises Reducing Trade Surplus

OW0504104695 Tokyo KYODO in English 0819 GMT 5 Apr 95

[FBIS Transcribed Text] Tokyo, April 5 KYODO—Bank of Tokyo [BOT] Chairman Toyoo Gyohten advised Prime Minister Tomiichi Murayama on Wednesday [5 April] that Japan must implement a structural change to reduce its chronic trade surplus and bring the yen's sharp rise under control, officials said.

The officials said Murayama sought advice from Gyohten, a former Finance Ministry bureaucrat, on ways to overcome the strong yen.

Gyohten told Murayama that Japan's huge current account surplus, coupled with the waning of U.S. economic power, is behind the yen's recent appreciation, they said.

Gyohten proposed that Japan carry out a structural change to reduce its exports and increase domestic investment, while promoting efforts to internationalize the yen so that the Japanese currency is used for foreign trade transactions, the officials said.

'Top LDP Official' Criticizes BOJ on Key Rate

OW0404141595 Tokyo KYODO in English 1347 GMT 4 Apr 95

[FBIS Transcribed Text] Tokyo, April 4 KYODO—A top official at the Liberal Democratic Party (LDP) on Tuesday [4 April] criticized the Bank of Japan (BOJ) for not lowering its official discount rate to help halt the yen's record-breaking advance against the U.S. dollar.

The official made the comment in reference to a move by the central bank to guide the unsecured call money rate lower March 31 in a bid to stem the yen's rise.

The unsecured call money rate is the benchmark short-term rate viewed by money market participants as reflecting the central bank's monetary policy.

"The BOJ should study whether it was a relevant step or a mistake. I believe it was insufficient," said the official of the LDP, the dominant partner in the tripartite ruling coalition.

He said he doubted the BOJ's judgment of the yen's rise and future direction.

The official said he urged the Finance Ministry to draft a first fiscal 1995 supplementary budget soon after the second round of local elections April 23 with a view to dealing with the high yen as well as rebuilding kobe and other areas hit by the devastating Jan. 17 earthquake.

Mitsui Trust Securities Unit Given License

OW0504050195 Tokyo KYODO in English 0338 GMT 5 Apr 95

[FBIS Transcribed Text] Tokyo, April 5 KYODO—The Finance Ministry [MOF] on Wednesday [5 April] gave

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Mitsui Trust Securities Co., the new subsidiary of Mitsui Trust and Banking Co., a license to engage in the securities business, ministry officials said.

The 51-staff subsidiary, based in Tokyo's Nihombashi-Muromachi, will kick off its business operations in early May, the officials said.

The new unit has a paid-up capital of 20 billion yen as well as a capital reserve of 10 billion yen.

* National Defense Policy Viewed as Failure

952B0144A Tokyo SEIRON in Japanese Mar 95 pp 254-262

[Article by Toshiki Kaji, director, Military Issues Research Committee, and former captain in the Air Self-Defense Force: "Japan's Defense Policy Is a Failure"]

[FBIS Translated Text] **I. Proclamations Issued by Commander-in-Chief Murayama**

On 19 September 1994, Social Democratic Party of Japan [SDPJ] Prime Minister Murayama received his first salute of military honors and attended an assembly of senior officers of the Self-Defense Forces [SDF]. As he addressed a group of about 140, including impressively uniformed SDF "generals" and career defense bureaucrats, he proclaimed, "I intend to dedicate myself to an effort to attain an honorable position in international society by establishing a system of international cooperation and promoting arms control and arms reduction." The address was immediately followed that evening by newspaper articles featuring the subject of "promoting arms reduction."

Two years ago, when (then) Prime Minister Hosokawa at an SDF parade proclaimed, "We must take the initiative before international society in the area of arms reduction...," it seems "arms reduction" became a key issue in the area of defense policy. However, "arms reduction" as used by today's Japanese politicians represents an incomparably vague term. They speak of "promoting global arms reduction," but it is entirely unclear as to whether they are speaking of "since Japan is going to reduce arms, so should other nations," or "since Japan originally maintained only the minimum necessary defense capabilities, other nations should follow its example in executing arms reduction."

In the initial phase of his proclamation, Prime Minister Murayama said, "The Constitution recognizes the SDF which is dedicated to self-defense and capable of functioning only at the minimum level necessary for self-defensive purposes." The context of those words would indicate, "Other nations should follow Japan's example in achieving arms reduction." The reason is that it should be impossible to effect a further reduction in an organization which is already at the minimum necessary level.

However, Foreign Minister Kono addressed a press conference immediately following his return from a tour of ASEAN last year by saying, "Arms reduction is a global trend," and referred to Japan's defense spending by adding, "If one nation were to initiate a move to restrain such spending at some low level, there is the potential that spending of that nature will drop on a global basis." That statement could be interpreted as saying, "Let us all join Japan in a move towards arms reduction."

Generally speaking, the mass media speaks as if Japan will initiate an arms reduction move. Even politicians have displayed such a stance. However, when one examines the situation in detail, it becomes questionable as to whether Japan will or can proceed with arms reduction. As an example, Foreign Minister Kono's previously mentioned statement was referring to the fact that defense spending has been restrained at the 0.9-percent growth rate and with the perception that Japan's defense-spending restraints would encourage arms reduction on the part of other Asian nations. If that were the case, it would mean that Foreign Minister Kono felt that "Japan" could demonstrate to the world that "it is proceeding with arms reduction," because it had restrained defense-spending growth to 0.9 percent. However, can we claim that a 0.9-percent growth rate represents arms reduction? If we were to speak in very commonly accepted terms, we probably cannot take credit for arms reduction as long as defense spending is increasing at a 0.9-percent rate.

That being the case, then, we will now examine just what arms reduction represents.

II. What Does Arms Reduction Represent?

The United States shifted to an arms reduction policy after the termination of the cold war, with an immediate effect on its defense budget. As an example, the U.S. defense budget, which totaled about $294.9 billion in 1989 in the year following the collapse of the Berlin Wall, fell by 1.7 percent in 1990 to $289.8 billion and by 9.4 percent in 1991 from the prior year to $262.4 billion.

As can be seen by these examples, arms reduction is an action that is reflected dramatically in budget figures and is not a nondescript phenomenon that is represented in increased military spending in the range of 0.9 percent or 0.86 percent.

Moreover, we speak of "participating in a joint effort to reduce arms," but mutual arms reduction can take place only between nations that pose a threat to each other. In such instances, it would probably be effective for either nation to propose, "Let us mutually reduce our attack capabilities." Such would be the case because, the nations involved could effect a mutual reduction in military burdens.

However, Japan does not have the capability to attack other nations and does not pose a threat to foreign

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countries. Accordingly, there is no nation that possesses a defense structure to oppose a threat from Japan, and no matter how much Japan calls for an effort to "participate in a joint effort to reduce arms," there should be no nation that could respond. As an example, ASEAN nations are engaged in a military buildup because of China's naval expansion. Accordingly, even if Japan were to call upon ASEAN nations to "participate in arms reduction," the upshot will be, "We are not concerned about arms reduction by Japan, but you need to take some action against China's military expansion." In other words, arms reduction proposals by Japan are not very effective, even if it were to make a concession calling for the total abolishment of the SDF.

Furthermore, arms reduction is a concept which goes hand-in-hand with arms expansion, and it would not be an exaggeration to say that arms expansion is a premise of arms reduction and arms reduction is a premise of arms expansion.

For example, in 1970 during the Vietnam war, the United States had about 3 million troops, but it began arms reductions concurrent with withdrawal from Vietnam and in 1980 had reduced its troop strength to 2.05 million. Later, the Reagan administration implemented military expansion under a threat from the Soviet Union and had increased its military strength to 2.17 million in 1989, but reverted to arms reductions concurrent with the end to the cold war and is currently maintaining a strength of around 2 million. A look at this fluctuation in figures should provide for an understanding by the reader that a military structure is one which undergoes expansion and contraction analogous to the way in which a living being inhales and exhales oxygen.

As for Russia, the former Soviet Union maintained a military strength of 3.6 million in 1980, increased it to 4 million in 1987, and the end of the cold war and collapse of the Soviet Union brought with it arms reduction and a current strength of 2 million. A matter which requires attention here is that, even though the Soviet Union collapsed, the Russian military did not collapse and is undergoing systematic arms reduction. Of course, discipline and morale have declined as reported, but the command structure and the authority of the military have been preserved on the domestic front.

According to a former SDF general who conducted a detailed inspection of Russian military installations, the Russian military structure is being operated under a structure with three types of troop units. The first type consists of elite units that are fully manned and equipped with the newest of weapons, where training is conducted even in the face of severe energy shortages and morale is maintained. The second type consists of units manned at 20 percent of establishment; these troops are dedicated to maintaining and controlling weapons and installations. The type force consists of unmanned, totally abandoned installations.

Because arms reductions are taking place in such an orderly manner, if the economy stabilizes and it again becomes necessary for a larger military structure, the capability exists to recruit and expand the military on short notice. This situation provides excellent evidence that arms reduction is premised on the need for possible military expansion.

On the other hand, let us divert our thoughts to Japan and visualize ourselves in a frenzied, but serious state of mind and calling for "arms reductions" going from the current 240,000 to a drastic cut to 120,000. The question is whether, if a threat from a neighboring nation were to arise several years later, we would be able to rebuild our military structure to 240,000. Unequivocally, the answer would be "No."

The authorized strength of the Ground Self-Defense Force [GSDF] is 180,000, but we are barely able to maintain a strength of 150,000 despite a sustained recruitment effort. Moreover, if we were to consider the pending sharp drop in the younger population and the alienation of the young from 3K [*kitanai, kiken, kitsui*; that is dirty, dangerous, and difficult] situations and if we were to release those that now man the military units, subsequent restaffing will be impossible. In other words, by its nature the SDF does not permit military expansion and, as long as military expansion is not feasible, we cannot afford to undergo arms reduction.

III. Defense Policy in Which Initiative Is Held by the Ministry of Finance

Supposedly, bureaucrats are well aware of the foregoing situation, but, on the other hand, I think politicians probably do not show much awareness. This fact would be readily apparent in a comparison of the declaration of Prime Minister Murayama and the press conference by Foreign Minister Kono quoted at the beginning of this article.

Prime Minister Murayama's declaration was obviously drafted by the bureaucrats. I served in the SDF for 11 years and feel I know how declarations of that nature are handled.

In reality, that declaration does not contain a single word that commits it to arms reduction actions. Rather, it positions the SDF as being at a "minimum necessary defense capabilites level" and alludes to the fact that arms reduction is not feasible; in the passage stating, "independently maintain moderate defensive capabilities," it suggests that defense spending will be restrained.

Now, the question is what is meant by the passage, "promote arms control and arms reduction"? This passage refers to the fact that several members of the Defense Agency staff, including some uniformed personnel, are assigned to the arms reduction staff of the United Nations and that cooperation in this respect will be continued in the future. In other words, it does refer to arms reductions by the SDF.

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This analysis reflects a wide variance with the perception reflected in Foreign Minister Kono's statement which reads, "If we were to engage in arms reductions, other nations would probably follow suit."

If I were to make an attempt to facilitate an understanding of this situation, I would portray a scenario in which politicians make no attempt to gain an awareness of the real situation while calling for "arms reductions," and bureaucrats consider reality and act to maintain defense capabilities while restraining defense costs. This scenario clearly depicts Japan's worrisome situation which consists of "a lack of political leadership and a bureaucratic monopoly of authority."

In sectors other than diplomacy and defense, a modest lack of political leadership may not be a problem. In such areas, policy development and execution by bureaucrats would immediately affect the livelihoods of the public, voices for and against would be heard, the propriety of the policies would be subject to public debate, and a modification of policy would be feasible.

However, when it comes to diplomacy or defense, there is no immediate effect on the livelihoods of the public and the bureaucrats have no way of knowing the propriety of their policies. This is why political leadership is critical in these two sectors.

A detailed description of defense in the 1980's would show that Japan's defense spending was growing at a high annual rate of more than 6 percent. Recently, the growth rate has been maintained at a low range of about 1 percent. It is the MOF that has made decisions on such defense budgets. Needless to say, there is such a thing as negotiations between ministers, but such negotiations result in adjustments of about 1 percent and there is no mistaking the fact that the MOF is making the overall decisions. What comes into question here is the basis for the decisions wherein a high growth rate was approved in the 1980's, while it is held at a low rate in recent years. Of course, the MOF will insist that decisions are made after consultation with the Defense Agency, but it is a well-known fact that the MOF is not a government agency that would change its decisions even if the Defense Agency were to make a dramatic effort in support of its position. Generally speaking, it is the mission of the MOF to reject budget proposals submitted by the respective ministries and agencies under a variety of standards and there must be some kind of standard which it applies for fluctuations in defense spending.

One such standard must be none other than the U.S. defense budget. During the 1980's, under the Reagan administration, defense spending grew at an 8-percent pace. The MOF must have used that as reference in approving a growth rate of 6 percent for defense spending. On the other hand, it would be no mistake to assuming that the recent decline in U.S. defense spending has been reflected in the spending to maintain minimum necessary defense capabilities on the part of our nation. Unless that were the case, there would have been no standard which it could have used to decide that a 6-percent growth rate was appropriate, in the face of criticism then voiced by the mass media charging a "conspicuous climb in defense spending."

I believe that it was reasonable for Japan to maintain a high growth rate in defense spending in the 1980's. The United States viewed the Soviet Union as the enemy and Japan regarded the Soviet Union as a threat, thus making it appropriate for Japan and the United States to coordinate their actions. However, such a stance would not serve as a guarantee of the propriety of defense spending cuts in the 1990's. A common Japan-U.S. enemy no longer exists and a country posing a direct threat to the United States no longer exists, but if we consider that Japan exists under a situation in which security is not necessarily ensured on all four seas surrounding Japan, there is no reason why Japan and the United States should coordinate their actions in the area of defense spending.

For example, there is no way that North Korean missiles can reach the United States. Thus, North Korea does not pose a direct threat to the United States. However, Japan is already within the range of North Korean missiles, while North Korea repeatedly expresses hostility toward Japan. Such a situation is clearly a threat to Japan and it would be logical for Japan to take defensive measures, regardless of U.S. defense policies.

Currently, the United States has proposed the joint development of theatre missile defense (TMD) as a countermeasure for North Korean missiles. The United States has chosen not to proceed on its own to develop such a system, because it does not have adequate financial resources, and it is obvious that it seeks a contribution in the way of funding from Japan, but the premise is that, "Basically, since this is a system concerned primarily with the defense of Japan, Japan should make a commensurate contribution." If Japan were to participate in the joint development of TMD, Japan would probably have to provide sole funding for the program. (The U.S. TMD-related law imposes limitations on spending and any funding shortfalls must be covered by foreign nations.) The law is of a nature which approaches Japan for a decision to increase defense spending, regardless of fluctuations in U.S. defense outlays.

However, the question is where and who in Japan will make that decision today? As long as the U.S. defense budget can no longer be used as a standard, the MOF will probably find it impossible to make a decision. In essence, such a decision would probably be impossible on for politicians who are ignorant of military affairs and who cannot make a distinction between defense spending restraints and arms reductions. This is why we are concerned about the lack of political leadership.

IV. Japan's Defense Structured To Ingratiate Itself to the United States

Needless to say, this is not a case where I fail to recognize the fact that politicians are making an effort to exercise

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leadership. One such display of effort was the establishment of the Defense Issues Council during the days of Prime Minister Hosokawa and there are probably many people who remember the submission of the report, "Recommendations for Japan's Security and Defense Capabilities" [Nihon Anzen Hosho to Boeiryoku no Arikata], in August 1994.

Now that the cold war has ended and significant changes have taken place in Japan's strategic environment, a review of Japanese defense policies would be timely. However, if one were to examine the contents of the proposal, he would fall victim to a somber mood. The contents are such that one would have to come to the conclusion that postwar Japanese defense policies have lost all sense of direction and reflect complete failure.

The proposal includes a forceful presentation on the United Nations and international contributions, which were rarely mentioned in previous defense policy documents. Such an approach is logical and significant now that the SDF participates in PKO [peacekeeping operations] activities. However, basically, international contributions represent tertiary aspects of defense policies and all nations ensure their own security before engaging in any international contributions. However, in terms of the basic issue of Japan's security, the proposal takes the position that Japan is clearly more dependent on the United States than ever before. It is becoming a situation of "relying on another country for our own nation's security while the SDF is dedicated to making international military contributions."

Allow me to speak in specifics. With respect to the military supremacy of the United States, the proposal states, "There is no potential for the appearance of a superpower in the near future with the intent or capability to directly challenge the military strength of the United States" which can be accepted as an objective awareness of U.S. strength, but with respect to its statement that "an indispensable condition for the functioning of the UN security system is the maintenance of multilateral coordination centered around the United States," we cannot help but wonder how we can maintain such multilateral coordination.

Further, the proposal expresses concern about changes in the U.S. stance, stating, "Some revision in the U.S. stance in Asia is possible based on its fiscal considerations and its assessment of the military situation." Let us assume that that statement is acceptable, but we cannot agree on the proposal's unilateral anticipation expressed in the words, "There is major significance... in the future maintenance of cooperative security arrangements... by the United States with regional nations such as Japan, South Korea, Australia, Singapore, the Philippines, and Thailand... and a cooperative stance by concerned nations is desirable." A simple expression of anticipation cannot be considered to be an effective policy. One wonders where we can find assurance that the United States will continue to maintain a future security framework of this nature.

Moreover, with respect to the security of Japan, the proposal states, "U.S. nuclear deterrent capabilities are indispensable to the security of Japan as long as there are nations that possess nuclear weapons," and with respect to North Korean nuclear weapons, it states, "For Japan, which adopts a nonnuclear policy, it is absolutely essential that it maintain reliance on U.S. deterrent capabilities," thus providing for total abandonment of an independent Japanese defense concept. Fundamentally, if we choose to say that we will depend on U.S. nuclear weaponry because we adopt a nonnuclear policy, we cannot tell whether Japan approves or disapproves of nuclear weaponry.

Moreover, if expressions we use with respect to the United States include, "indispensable," and "absolutely essential," we get the odd feeling that Japanese defense consists of ingratiating itself to the United States. In other words, although we speak of security centered on the United Nations and Japanese defense, Japan is ultimately dependent on U.S. military capabilities and, if the United States should lose its concern for global security and adopt an isolationist policy, Japan would become helpless. And, one cannot help but feel that such thinking has forced us into a decision to ingratiate ourselves to the United States.

Notwithstanding, there are probably those who would rebut that position, by saying, "You might make that argument, but it is a fact that postwar Japan has consistently relied on the United States for its defense, and there is certainly no sense in arguing against the arrangement at this late stage." However, that argument is somewhat in error. Of course, Japan has been dependent on the United States, especially with respect to defense. However, such dependence was based on Japanese plans and outlook, and did not necessarily represent an abandonment of independence by Japan. The "Defense Program Outline" established in 1976, along with the "framework for defense spending of 1 percent," served as subsequent basic defense policy in Japan, and a reading of these papers brings one to a firm understanding that Japan did have a plan of its own.

Perceptions of the situation carried in the main text of the outline can probably be summarized, as follows:

1) The U.S.-USSR confrontation will persist, but should not lead to a global war. 2) In Asia, a balance has been established among the United States, China, and the USSR, thus precluding any armed dispute on the Korean peninsula. 3) The United States will maintain the Japan-U.S. security system based on the foregoing points 1 and 2. 4) Based on the foregoing point 3, the SDF can handle limited, small-scale aggressions.

Ultimately, the foregoing outlook proved itself to be accurate. The United States and the USSR persisted with their confrontation until the end of the cold war, but the situation did not lead to a major war, the Korean peninsula remained stable, and the Japan-U.S. security

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system was preserved. Further, as projected in the outline, Japan was able to survive without maintaining a full-scale military capability.

However, now that the cold war has ended, the premise on which the outline was based is totally invalid. Even the necessity for the U.S. to maintain the Japan-U.S. security system has been affected in a significant way. Moreover, the proposal outlines the necessity of the Japan-U.S. security system for Japan, but makes no reference to the necessity of preserving the system for the United States.

V. The United States Has Changed

However, the proposal does anticipate some future disputes. Such reference is made in the section titled, "Four Types of Dangers Anticipated in the Future." That particular section is an adaptation of the New Dangers section of the force structure excerpts "Bottom Up Review" by Les Aspin, Secretary of Defense, 1 September 1993. I will analyze that section of the proposal and the contents of the U.S. review in summary form for reference purposes.

Bottom Up Review

1) Nuclear weapons and other weapons of mass destruction and the dangers associated with their proliferation; 2) regional dangers ranging from regional disputes to terrorism; 3) dangers associated with the democratization and reform of the former Soviet Union, East Europe, and other regions; and 4) economic dangers associated with U.S. national security.

Proposal

1) Proliferation of weapons and defense-associated technology (especially, nuclear, scientific, biological weapons and missile technology); 2) isolated armed clashes; 3) loss of coordination among superpowers with the United States playing a central role; and 4) economic poverty and social discontent (loss of the capability of nations to govern in connection with such circumstances).

It is probably obvious that both documents are identical with reference to items 1 and 2. Both documents carry similar views on the economic issue as reflected in item 4. It appears that the two documents differ somewhat on item 3, but the proposal expresses concern for worsening confrontation between the United States and Russia and China because of the failure of reform in the latter two nations and a rise in power of radicals, and, in essence, is in agreement with the U.S. review.

This analysis shows that the two documents are similar. Unmistakably, this must have been a case where it was decided that the world's largest military power in the name of the United States cannot be wrong and therefore the U.S. review was adapted as part of the proposal. However, even if the United States is a superpower, as long as it is a separate nation, it is obligated to build its security system to fit the interests of that nation, thus making it inappropriate for Japan to borrow from such concepts in view of the fact that Japan is situated and affected by entirely difference circumstances.

At this point, I would like the reader to participate in a second analysis of the four dangers listed in the U.S. review. The reader has probably noticed that only item 4 is "associated with U.S. national security." In short, items 1 through 3 do not pose dangers to U.S. security. Moreover, item 4 concerns economic issues. What this means is that no country currently exists which poses a military threat to the United States, thus putting it in a position where it will concentrate on economic issues. And, it is easy to understand that the target of economic issues is Japan. This analysis should clearly demonstrate the inexcusable idiocy of borrowing from the U.S. review for purposes of the proposal concerning Japan's defense.

In reality, this review and subsequent Defense Department reports give one the strong impression that the United States is trying to gradually distance itself from the issue of global security. Coincidentally, in August 1994, the young leading U.S. economist Krugman appeared on Japanese television and stated, "America has resigned its role of global policeman." Soon thereafter, I traveled to the United States and had the opportunity to converse with a professor at the U.S. Army War College. Relative to Krugman's statement, I asked, "U.S. intervention in Bosnia is passive, but does this mean that the United States has relinquished its role as the global policeman?" The professor replied, "In essence, we have opted for selective intervention." Selective intervention means that the United States will intervene if the situation concerns U.S. interests, but will not intervene if that is not the case.

If we were to pursue that logic, it would mean that if Japan's security were not consistent with U.S. interests, there would be the potential that the United States would abandon Japan.

In essence, the United States has changed. That being the case, would it not be very risky to rely on the United States with greater intensity than the past considering that it has changed?

VI. International Contributions and the SDF

In the latter part of December, as we approached the year end, SDF units dispatched to Zaire returned home safely. The units were treated parsimoniously about being allowed possession of one or two machine guns at the time of departure and once they reached Zaire were attacked by the mass media with heartless aspersions such as, "They're not playing much of a useful role." We should feel pity on how they were treated, but should probably now celebrate their safe return to Japan. It appears to have been quite a risky mission, when one considers the remarks of unit personnel who frankly admit, "If we were to stay another three months, there's no telling what might have happened."

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Statements such as, "They're not playing much of a useful role," were truly groundless, and one would like to point out that it was probably a segment of the mass media and the SDPJ that were responsible for the imposition of restrictions on the SDF units so that they could not function properly as military units.

In reality, the PKO Law is extremely inadequate in that it neither provides for organized military movements nor clear-cut standards for the use of weapons. The law is of such a nondescript nature that if an SDF unit were to be dispatched to a hostile region, unit personnel would have no choice but to restrict themselves to their garrison facilities.

I feel that the SDF unit which served overseas under the provisions of such an inadequate law is noteworthy, but I also wonder why it was necessary to proceed with a dangerous gamble such as dispatch to Zaire.

I often hear that the mission related to Japan's application for permanent membership in the UN Security Council, but if that were the case, the mission should have been handled as a national policy and the Defense Agency should have requested more complete preparations to include the legal aspect. Even concerning the issue of machine guns, the agency should have explained that one machine gun would be inadequate in an emergency situation and should have refused to execute the mission under the premise that it could not be carried out with assurance in the face of political wrangling.

I feel that the irresolute response of the Defense Agency serves as strong evidence of why defense policies have failed. Defense policies have lost a sense of direction as previously mentioned. As a result, the reason for existence of the SDF has gradually diminished in clarity and the Defense Agency is no longer able to maintain consistency in its policies. That being the case, the agency probably has no choice but to agree when it is told, "Engage in international contributions, because it seems you are lacking in work" or "You can get along with just one machine gun."

However, the overall issue is not one that concerns only a single agency. A failed defense policy will eventually impact on the nation as a whole.

Experts Discuss Problems of Diplomacy

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[Discussion by Naoki Tanaka, commentator; Jiro Yamaguchi, professor of law at Hokkaido University; and Yoshibumi Wakamiya, ASAHI SHIMBUN editorial writer; place and date not given]

[FBIS Translated Text] [Wakamiya] Politics and economics have completely changed in the 50 years since the end of World War II, but somehow, it appears we are right back where we started. The chaotic situation following the collapse of the Miyazawa administration, such as frequent launching of new political parties and coalition governments, closely resembles the 1945-1955 period. The problem in those days was how to effect Japan's return to the international community and what Japan should do with its armaments. Now the problem is how to contribute to the international community and whether Japan should play a military role. Japan is now being urged to conduct not only drastic economic reconstruction but also considerable administrative reform. Let us discuss today's situation in terms of an analogy between post World War II and post Cold War.

[Tanaka] There is certainly an aspect of us being right back where we started if we look back over the past 50 years. A decisive difference, however, is the international framework. The international framework was very firm 50 years ago. For the last 50 years, we have been in the habit of thinking about things with the acceptance of the Potsdam Declaration as the starting point. We think everything started on 15 August 1945. From a global viewpoint, however, the collapse of Nazism and defeat of Japan were accomplished before 15 August, and the construction of the postwar order had begun in at least 1944—the Bretton Woods system; even before that, at the zenith of Nazi glory, the United States is said to have had the idea of constructing a postwar order. Japan's path lay within the framework built by the United States after the end of World War II. Today, we have nothing of that sort. This is a decisive difference.

[Yamaguchi] The present age is referred to as the 1940 system or as the 16th year of Showa (1941) system by recent press. The reason is that the framework of financial and economic regulation as well as the food control system are said to have been made within the wartime general mobilization system around 1941. We know these have limits and the problem is what are we going to do with them? Therefore, we may call our age a new postwar era.

Another thing is that both the post World War II period and post Cold War period seem to have an ethical vacuum. Immediately after World War II, Shigeharu Nakano advocated the establishment of national morals in his short story entitled: "Goshaku no Sake" [0.09 liter of sake]. However, neither the conservatives nor reformists could succeed in establishing an ethical pillar. The post Cold War period is in a sense the post bubble period, and in that sense an ethical vacuum is keenly felt, so I have a feeling we are in a period in which we are looking for something.

[Wakamiya] After the Cold War, the 1955 system collapsed and the Murayama administration came to power. The Katayama coalition government, which was a socialist-headed government established after World War II, had support from the General Headquarters of the Allied Powers. That makes us think we are right back where we started, with the Cold War period in between.

[Tanaka] The collapse of Japan's political order today was brought about, for one thing, by the end of the Cold

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War. For another, we have not completely wiped out what we should have in the 50 years since World War II, and I think there is an aspect that what we have left over is beginning to come to its end. Did everything change on 15 August 1945? Of course, a lot of things changed, but many still remain unchanged. In particular, the logic and psychology that support the administration have not changed since 15 August 1945. The Imperial Constitution changed into the Constitution of Japan, but the actual application of administrative law has not changed. The situation—"In the beginning was power"—still prevails. On the other hand, the intellectual level and living standards of the nation have improved in the past 50 years since the war. The network among citizens, without the interposition of government, is beginning to be formed. The civic maturity that has been developed in the past 50 years is hurling a pointed question at what we inherited before 15 August 1945. Therefore, the LDP-SDPJ [Liberal Democratic Party-Social Democratic Party of Japan] establishment is not so much a new entity as the last form of what we inherited. We may say that the LDP-SDPJ establishment is a product of the last resort.

[Yamaguchi] I am a little more sympathetic toward the Murayama administration. I think the Murayama administration will be the last runner of postwar politics, but it is trying to accomplish some constructive things. In short, there is some homework that has to be finished in closing the postwar system. Especially atonement for the war cannot be made forever if we miss the timing of the 50th anniversary. I think this task is possible only when Murayama is prime minister and only when the LDP supports it. Be it the product of chance, Murayama has become prime minister at this juncture. I think it significant for Prime Minister Murayama to reconsider and reflect on the postwar period, during which we gained much prosperity through ignoring and disregarding our actions for many years.

As Mr. Tanaka said, it is very important to consider the relationship between the bureaucracy and the people who represent the nation. If the Murayama administration cannot initiate forward-looking measures in that field, it will be branded a conservative government and discarded after settlement of problems arising from Japan's World War II activities.

[Wakamiya] I have the same impression. When the Murayama administration came to power, some said that it symbolized the end of the 1955 system, while others said that it was the ultimate form of the system. I think there are two sides to the matter, but I think Mr. Tanaka is a little closer to the latter group.

[Tanaka] As the next political legacy, we are going to inherit some of what the LDP had and some of what the SDPJ had. The problem is what we are going to inherit. The LDP had the experience of an opposition party; the SDPJ had the experience of a ruling party. This means that the LDP learned that the cost of corruption is very expensive and that the SDPJ actually learned that politics carries with it responsibility. Then it is not a combination of a corrupt LDP and an irresponsible SDPJ, but a combination of one political party that has come to realize that a political party can not last unless it makes an internal effort to remove the root of corruption, and another political party that has come to think seriously that a political party must discard irresponsibility and bear responsibility for what it does. Therefore, I do not call the current government "the illicit administration." However, if the two parties do not show any change—if the LDP remains corrupt and the SDPJ remains irresponsible—they must become the targets of a verdict.

[Wakamiya] In the political realignment process, Shinshinto [New Frontier Party] came into being late last year. The party may have a role to play in reforming the various postwar systems shared by the LDP and SDPJ, but it is not different from other parties despite its claim.

[Yamaguchi] The opposition between the LDP-SDPJ and Shinshinto has to do with the evaluation of postwar Japan. When the Murayama administration came into being, I drew an oppositional diagram: one group that views a postwar Japan favorably in principle; the other that has made an unfavorable summary of postwar Japan and aims at drastic reforms.

If what Ichiro Ozawa has said becomes Shinshinto policy, that will take a course that will make a little hasty, unfavorable summary of postwar Japan and try to reform various systems. However, I think we should take what we have cultivated after the war a little more favorably. A change of course made with diplomacy as the center would be wrong and off the point. It will be more significant if the reform target is directed at democracy versus bureaucratic dominance.

[Tanaka] I find Shinshinto's Ichiro Ozawa quite unique. Japanese politicians generally say they conduct such and such political campaigns to realize such and such goals. However, Ozawa did not do that. What does this mean? Ozawa's intentions are: The most important thing is to place politics in a competitive market; if there is a competitive market, a competent politician will be selected as a result, and this is the most desirable thing; and lack of competition in the political world breeds corruption and irresponsibility. Therefore, Ozawa began to direct factional activities against the LDP solely to make Japan's political arena a competitive market. It is my understanding that Ozawa did not begin factional activities because there was a problem of a so-called "ordinary country" or the problem of amending the Constitution. To say it in economic terms, it is an act to make a market.

[Yamaguchi] I am also of the opinion that competition among political parties and change of power are necessary. Recently, however, I have come to have the pessimistic view that a change in the election system or a political realignment to form two major parties will not foster active competition. I have an impression that

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reformation of the system does not necessarily create a situation where the two major political parties work hard together. If a political party is only an entity that controls access to money or power possessed by the bureaucracy, there will be no competitive market or competition. When Shinseito [Japan Renewal Party] came to power, it moved to take good control and a firm grip of various powers and revenue sources possessed by the administrative organ, like Diet members having strong ties with a particular ministry. Therefore, when Shinseito calls for reform, it sounds hollow.

[Wakamiya] Well, let us discuss the international course to be followed by Japan. There are problems of peacekeeping operations, the Japan-U.S. Security Treaty, Japan's bid for UN Security Council [UNSC] permanent membership, and amending the Constitution. However, these are incidental to the main issue; the whole thing boils down to how Japan should get along with Asian nations. Japan liquidated the dominance and aggression of Asia through its defeat. However, while Japan was occupied, the Cold War began and Japan's next policy toward Asia was regulated by the outbreak of the Korean war and through China's communization. Therefore, Japan has not been able to establish a normal relationship with Asian nations. In that sense, at last the time has come for Japan to establish a good relationship with Asia. I feel that time drags by too slowly. Mr. Yamaguchi, you said a little while ago that the Murayama administration's task is to settle problems arising from Japan's World War II activities. What do you think?

[Yamaguchi] Anyway, Japan has neglected some matters and has lived in comfort as a result. The Japanese people must pay their debts; it is necessary for the nation to show its determination to do so. And there is a phenomenon that I feel uneasy about in Japan's relationship with Asia. Asia, which is gaining economic power, is in close contact with some conservatives in Japan, probably because of its non-Western or anti-Western sentimentality. Malaysian Prime Minister Mahathir and Shintaro Ishihara coauthored a book in which signs of a different form of the Greater Asia Co- Prosperity Sphere are discernible. I think this is regrettable.

[Wakamiya] When I visited the United States some time ago, a very pro-Japanese American told me a perplexing story: "In recent days, the Japanese administration is apologizing with all its might to improve its relations with Asia. That itself is not wrong. However, I feel uneasy about it because it looks as if Japan is preparing to do something that will lead to the establishment of the Greater Asia Co-Prosperity Sphere." Some people said that "Japan intends to spread the notorious 'keiretsu system' all over Asia." I think all this has been caused by the fact that Japan has not made its policy toward Asia clear.

[Tanaka] Economically, Japanese businesses have begun to divide sharply into two: a side that must attach great importance to U.S. markets; the other must attach great importance to Asian markets. For example, automobiles and machine tools sell well in the United States, and there have been capital movements to the United States. However, that is not the case with Asia. Construction machinery and turbine engines are being sold in Asia, but not in the United States. Japan's business community is divided into two.

Furthermore, the Asian market has grown large. The Asian market is far greater than the North American market in terms of export amounts. In this colossal market, Japan is selling more products than the United States. To the United States, it looks as if Asia has become Japan's market. To call such a situation Japanese "regionalism" or Japan's Asia-first policy is empty talk. Both Asia and the United States are important to Japan. Japan's task is how to make the international community understand this.

[Yamaguchi] Since the publication of the thesis, "Collision of Civilization," by Huntington, Japan has increasingly begun to take up something like the sense of irritation that is held by U.S. or European intellectuals toward Asia. I think Japan is in a position to remove the misunderstanding that Japan is non-American or non-European, or anti-American or anti-European. It is important for Japan to insist that Western-type democracy can function even in Japan and that universal values born in the West can be shared by Asian countries to some extent. Only when Japan has ascertained what can be shared, can its criticism against U.S. and European selfishness become meaningful.

[Wakamiya] President Clinton displayed U.S. intervention in Asia by holding an APEC (Asia Pacific Economic Cooperation) summit in Seattle; Prime Minister Mahathir showed his identity by absenting himself from the summit; and Indonesian President Suharto displayed a certain level of leadership at the Bogor conference. In the midst of all this, Japanese prime ministers did nothing but leave themselves to the current. This may be the result of Japan's inability to conduct its own diplomacy during the Cold War period. It is impossible to expect much from Prime Minister Murayama in this respect. Now international order is in disarray, and no Japanese can write a scenario for Japan's diplomacy, although it is a powerful country. The same can be said of Japan's political realignment. The present is greatly different from the Cold War period that produced the 1955 system.

[Tanaka] Japan has been a perfect beneficiary of the Cold War for the 50 years after the end of World War II. Just think of it. When the war ended, Japan could do everything that had been impossible to do in the prewar days. Japan has made Asia a market for its products. After the war, the United States, in principle, guaranteed that it would allow Japan to make Asia its own market, although Japan had to send troops, meet tough resistance, and sacrifice to do the same thing in Asia in the prewar days. Looking back now, the United States was

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unbelievably lenient when it was at the height of power. Behind Japan's good fortune lay three umbrellas: nuclear weapons, the dollar, and oil. It is very rare in world history to see one country receive such a windfall.

[Yamaguchi] Japan was very fortunate indeed, but it was very much spoiled in the midst of it. Japan had put off what it should have settled, thinking in its own way.

[Wakamiya] Thanks to good fortune and lenient treatment, Japan took an uncertain attitude toward the objective evaluation of the war. When it comes to international contributions, participation in peacekeeping operations is the limit militarily. Then ODA (Official Development Assistance), environmental problems, or contributions to the world economy through the Japanese economy's structural reform may be the only international contributions that Japan can make.

[Tanaka] However, the presence of a stable Japan actually provides a strong framework to the world. We may take a little pride in this fact. For example, Asia is generally said to be "rising," but recently it has been found that there are many risks in Asia. Asia's capital market is still fragile. An opinion has begun to prevail that there will be trouble if Japan is not in full possession of itself.

[Yamaguchi] After the end of World War II, Japan has overcome problems, such as political friction attendant on economic growth, the method of distribution of wealth between labor and management, and the solution of difference in quality between central and local parts. It is good if Japan's experience and know-how in these matters are institutionally transferred to Asian countries. If that is done, it will be possible to prevent the effect of risks on the political side pointed out by Mr. Tanaka. When I went to China, I heard that Chinese people were studying local allocation tax very hard. It will be good if Chinese people can use the know-how of Japanese bureaucrats in programing such a tax system.

[Wakamiya] Mr. Yamaguchi took part in the SDPJ's creation of the Constitution. What course should Japan take in the future?

[Yamaguchi] There is a criticism that the SDPJ has discarded its various principles with the coming of the Murayama administration. I think the existence of the Self Defense Forces [SDF] is no longer a big issue that differentiates one party from another. Rather, we must discuss a viewpoint by which to reorganize and control the swollen SDF. The SDPJ strongly objected to a peacekeeping operations bill when it was discussed in the Diet. However, the public found it very difficult to understand the SDPJ's objection. I think the national consensus is that giving something like rear support is inevitable to some extent. The question now is how Japan should make international contributions and how it should share its responsibilities. Under such a circumstance, it is necessary to reexamine and redefine the Constitution's basic idea. I think it will be a great thing for Japan to make economic contributions. However, it will be necessary for Japan to explicitly insist that armaments are not so conducive to preserving lasting order, according to the Constitution's basic idea.

[Wakamiya] It is difficult to understand how Japan is dealing with the UNSC permanent membership problem.

[Yamaguchi] There is an element that the pace of discussion on UNSC permanent membership was set by the ministerial interests of the Foreign Ministry. Fortunately, it has become evident that the matter cannot be settled so easily. The components of security or order have considerably changed, and factors other than military ones that threaten the existence or security of mankind have become very visible. It will be necessary for Japan to concretely propose the duties it should perform in those areas in the future.

[Wakamiya] I think it will be necessary for Japan to adopt a war-renouncing resolution in view of the birth of the Murayama administration, as Mr. Yamaguchi said in the beginning. Opposition against the resolution is going on within the ruling and opposition parties. For the sake of the future, it will be better for Japan to make its resolution clear that on the basis of reflection on the war, it will never do it again and it will pursue peace in Asia and the world. I think we should make the resolution a message to the United States and European countries, which are watchful of the "Asia First" principle.

[Yamaguchi] That is right. I am absolutely against Japan making excuses by saying that Europe and the United States did the same thing as Japan, because Japan is responsible for what it did as a nation, no matter what other nations did. Although it is a little old-fashioned, Japan must explicitly confirm its moral principles as the Japanese people on this occasion.

[Wakamiya] As one of its roles, Japan should seriously consider measures and contributions to the Korean peninsula's unification. We never know when it will become a reality and it is also a problem of crisis management for Japan itself.

[Tanaka] Although only Japan's bid for UNSC permanent membership has become the focal point of Japan's diplomacy, the foundation on which Japan stands is considerably shaky. Japan has yet to build a solid relationship with any of its neighboring nations, such as South Korea, China, and Russia. Japan should aim at a uniform approach to these countries in parallel with its relationship with the United States. Japan should never fool with its ODA and peacekeeping operations. The initiation of positive diplomatic policy has undeniably become a big issue for Japan.

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North Korea

ROK Military Exercise, Attitude Criticized

SK0504103495 Pyongyang KCNA in English 1024 GMT 5 Apr 95

["Kim Yong-sam Group's Provocations Under Fire"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—The Kim Yong-sam group has never let a chance pass by without crying for "punishment and reprisal" with outcries over the North's "possible provocations", while trying again to justify the anti-ethical, anti-national crimes it had committed at the time of the misfortune of the fellow countrymen in the North last year.

NODONG SINMUN in a by-lined commentary today views the traitorous Kim Yong-sam clique's hostile attitude toward the North, which is nowadays getting undisguised, as an open declaration of its position for confrontation, division and war, not for national reconciliation, dialogue and reunification.

The analyst says:

The "resumption of South-North dialogue" on the lips of the Kim Yong-sam group is no more than honeyed words meant to cover up its anti-dialogue, anti-reunification position. Lurking behind its call for the "resumption of South-North dialogue" is its ulterior intention to use the inter-Korean dialogue for obstructing the implementation of the DPRK-U.S. framework agreement and for shoring up the regime which is being shaken to the foundation.

The powder-reeking utterances such as "reprisal" and "warning" repeatedly made by the Kim Yong-sam group, groundlessly taking issue with the North, are part of its premeditated provocations to bring the inter-Korean relations to the worst phase and drive the situation to the brink of war.

The traitor Kim Yong-sam is touring "military drill grounds" one after another, inciting war fever against the North. The Kim Yong- sam group is steadily shipping combat equipment of different sorts into South Korea and staging provocative military manoeuvres in the areas along the Military Demarcation Line almost every day. While asking its master to resume the "Team Spirit" joint military manoeuvres, it launched into combined military manoeuvres on April 3.

This tells that the group is trying to ignite a war against the fellow countrymen at all costs.

The source of disasters should be uprooted at an early date. Overthrowing the Kim Yong-sam group, the enemy of dialogue and reunification, brooks no further delay.

'Premeditated Military Provocation'

SK0504050995 Pyongyang KCNA in English 0450 GMT 5 Apr 95

["Test War for Preemptive Attack on North"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—The South Korean warmaniacs reportedly started a large-scale combined tactical exercise on April 3, with over 80,000 forces of the puppet Army, Navy and Airforce as well as a number of military personnel of the "reserve forces".

The war exercise to be held till April 8 is a premeditated military provocation to hinder the implementation of the DPRK-U.S. framework agreement and key up the tension on the Korean peninsula to the extreme pitch.

The gravity of the current military exercise is that it is utterly for "attack."

The puppets are openly crying that the current large-scale combined tactical exercise is for attack rather than for defence as in the past.

Particularly, a full-scale "landing offensive operation" is planned to be held on April 6 on the east coast with the support of the puppet airforce.

The on-going military exercise is an out-and-out preliminary and test war for a preemptive and simultaneous attack on the North's coastline and rear.

It is the revolutionary habit of the People's Army and the people of Korea to answer fire with fire and punish the provocateurs a thousand fold.

Should the South Korean warmaniacs persistently take the road of military adventure defying the North's repeated warnings, they will be burnt to death in the flames set by themselves.

'Grave' Joint Military Exercise

SK0504024695 Pyongyang Korean Central Broadcasting Network in Korean 1221 GMT 4 Apr 95

[Kim Ho-sam commentary: "Reckless War Frenzy Will Only Expedite Their Downfall"]

[FBIS Translated Text] The South Korean puppets are staging a grave joint military exercise against our Republic.

According to a radio report from Seoul, the Kim Yong-sam group in South Korea is mobilizing 80,000 troops of the puppet Army, Navy, and Air Force, numerous airplanes and naval ships starting 3 April to stage a large-scale joint tactical exercise against our Republic in Hwachon, South Korean Kangwon Province, and areas of North Kyongsang Province, as well as on the east coast.

It was reported that this exercise will continue until 8 April. The South Korean puppets said that this war exercise is to attach importance to the combined exercise by the Army, Navy, and Air Force, including an aerial surveillance exercise against the so-called enemy's surprise attack and a surprise landing exercise.

In addition, the Joint Chiefs of Staff [JCS] of the puppet Armed Forces expressly pointed out that this exercise

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will do away with the previous practice of defense-oriented exercises, and will be an exercise harmonizing offense with defense.

As is known to all, the reckless, frenzied war exercise waged by the South Korean puppets is a large-scale joint tactical exercise of a dangerous nature that separates it from previous war exercises in view of the number of troops and branches of the service participating in the exercise and in view of the contents of the training.

What we cannot but view seriously is that this adventurous war exercise is being waged right before our eyes, following the traitor Kim Yong-sam's recent violent provocative remarks which blame us in connection with the implementation of the DPRK-U.S. agreement, and which warn of so-called punishment, and so forth, and the puppet Defense Minister Yi Yang-ho's raving about the establishment of a maritime defense posture.

As is known, the South Korean puppets have continually assembled puppet troops in the area of the demarcation line from the beginning of the year, and have perpetrated various types of military provocations in the air, on the land, and in the sea, practically every day. Thus, they are constantly staging adventurous war exercises throughout South Korea.

What draws people's attention in the recent war exercise by the South Korean puppets is the fact that the puppet army's war frenzy is more frantic than before, demonstrated by their creation of a real war-like atmosphere by assuming an attack position and laying a smoke screen to advance into the DMZ of the Military Demarcation Line [MDL].

They staged this type of war exercise many times in March alone. After waging this war exercise, the puppets are now staging an offensive-oriented joint military exercise, not defensive, right before our eyes in the MDL and in areas of the east coast.

All these moves clearly prove that they are going to put into practice the ROK-U.S. joint operational plan No. 5028, for which they have been preparing up to this point.

Because of such rash, bellicose acts of the South Korean puppets, the situation along the MDL has been strained to an unprecedented level [toopbsi paengpaeng haejigo ikko] and the situation on the Korean peninsula perches precariously on the eve of the outbreak of war [chonjaeng palbal chonyaui wiggi sanghwange noyo issumnida].

Why then, is the Kim Yong-sam group staging such a dangerous, large-scale, joint tactical war exercise? The Kim Yong-sam group is attempting to repress the spirit for reunification which is rapidly increasing in South Korea and to evade the power crisis of the puppets which is shaking at its very roots.

As is known to all, political parties and public organizations of the Republic put forward a proposal to hold a grand national reunification festival to commemorate the 50th anniversary of national liberation this year in Panmunjom. A broad range of opposition forces in South Korea—political parties, public organizations, and politicians—expressed great sympathy to the proposal and passion for reunification is rapidly rising.

In this situation, on 31 March, Yi Ki-taek, president of the Democratic Party, again expressed the will to visit North Korea to discuss measures for improving North-South relations. In addition, five social movement organizations in South Korea, including the National Alliance for Democracy and Peaceful Unification and the Preparatory Committee for the Democratic Workers Trade Union, appealed to various political parties and public organizations to form a promotion organization of the South side in connection with the holding of joint events by the North and the South to mark the 50th anniversary of the 15 August national liberation. Such moves by social circles are being heightened as days go by.

Frightened by the patriotic reunification movement, the Kim Yong-sam group kicked off a war exercise in an attempt to maintain its power and to divert the people's attention elsewhere by all means. Furthermore, the Kim Yong-sam group's reckless adherence to war maneuvers is aimed at ridding itself of its external isolation that is becoming more disadvantageous with each passing day.

As has been known, despite the Kim Yong-sam group's persistent disruptions, the DPRK-U.S. agreement is being implemented according to its timetable, and accordingly, the puppets are feeling a sense of alienation due to being pushed aside even by their masters.

As for DPRK-Japan relations, the ninth intergovernmental talks for normalization of diplomatic relations between the two countries are expected to be held in the future according to the agreement between the Workers Party of Korea and the three ruling coalition parties of Japan.

The development of situations between the DPRK and the United States and between the DPRK and Japan will undoubtedly deal the puppets a hard blow.

Because of this, the Kim Yong-sam group is attempting to use the large-scale war exercise to apply the brakes on the implementation of the DPRK-U.S. agreement and the resumption of the DPRK-Japan talks so as to turn the situation around so that it is favorable to them and it can dispense of its international isolation.

However, this is like the futile cry of a person who stands abandoned on a cliff shouting at the sky to stop the dashing train.

While the South Korean puppets are attempting to frighten us by means of adventurous war, their acts are like those of a small dog jumping about without a clue as to how fearsome the tiger is.

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If the Kim Yong-sam group continues to advance on the road of war despite our repeated warnings, it will not survive before the might of our single-hearted unity and indomitable People's Army.

Signature Paper on ROK NSL Sent to Assembly

SK0404214695 Pyongyang KCNA in English 1501 GMT 4 Apr 95

["Abolishment of 'National Security Law' Urged"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 4 (KCNA)—A signature paper signed by over 10,500 people including Chon Yong-se, co-chairman of the National Alliance for Democracy and Reunification (Chonguky-onhap), demanding the abolishment of the notorious "National Security Law", [NSL] was recently sent to the "National Assembly", according to the South Korean paper CHONGUK NODONGJA SINMUN. [name of newspaper as received]

More than 50 representatives of the signers held a meeting demanding the abolishment of "NSL" in front of the "parliament" building and handed the signature paper to the "National Assembly".

The signature paper branded the "NSL" as an anti-reunification law rejecting peaceful reunification and demanded the abolishment of the fascist law.

Ministry Spokesman on Poland's 'Countermeasure'

SK0504051595 Pyongyang KCNA in English 0456 GMT 5 Apr 95

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—The spokesman for the Foreign Ministry of the Democratic People's Republic of Korea released a statement today concerning the Polish Foreign Ministry's recent demand for the decrease of the number of DPRK diplomats in Warsaw as a "countermeasure" in the wake of the withdrawal of its delegation to the Neutral Nations Supervisory Commission (NNSC) at Panmunjom.

He said:

Recently, the Polish Foreign Ministry demanded the reduction of the staff of the DPRK Embassy in Warsaw as a "countermeasure" after the withdrawal of its delegation to the NNSC at Panmunjom. This gives much misgivings.

The withdrawal of its delegation is attributable to the U.S. systematic demolition and violation of the Korean Armistice Agreement and the armistice machine, not to the bilateral relations between the DPRK and Poland.

In fact, the NNSC has long done nothing. If there were something it did, it was that it played the role of camouflage for justifying such moves of the United States as steadily aggravating the situation of the Korean peninsula.

Due to the United States, the Military Armistice Commission and its auxiliary machine, the NNSC, have been left without any real meaning, without any legal binding force, on the Korean peninsula.

This has been admitted by Poland itself.

Nevertheless, the Polish side demanded the reduction of the staff of the DPRK Embassy in Warsaw in protest against the withdrawal of its delegation to the NNSC. Such a mean act cannot be construed otherwise than a behavior encouraged by dishonest forces.

Since the Polish side took an unreasonable step by intentionally linking the withdrawal of its delegation with the bilateral relations between the two countries, we are left with no other choice but to drastically cut the staffers of the DPRK mission in Warsaw including the ambassador.

Poland will have to be held fully responsible for the disgraceful record left in the nearly five decades long history of relations between the two countries.

Japanese Party Official Urges Normalizing Ties

SK0404214995 Pyongyang KCNA in English 1503 GMT 4 Apr 95

[FBIS Transcribed Text] Tokyo, April 2 [date as received] (KNS-KCNA)—Chairman of the Okayama Prefectural headquarters of the Japan Social-Democratic Party Keisuke Tanimura who is also representative of the Okayama prefectural people's forum for Japan-DPRK friendship met Japanese Prime Minister Tomiichi Murayama and Speaker of the House of Representatives Takako Doi on March 28 and demanded early normalisation of diplomatic relations between Japan and the DPRK.

Prime Minister Tomiichi Murayama said he will do good things for normalisation of Japan-DPRK diplomatic relations during his term of office as prime minister.

Council Continues Struggle Over 'Comfort Women'

SK0504102495 Pyongyang KCNA in English 1008 GMT 5 Apr 95

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—Members of the council for measures on the issue of the "volunteers corps" (Chongdaehyop) of South Korea are reportedly continuing their struggle in front of the Japanese Embassy in Seoul, demanding compensation to former "comfort women for the army".

In a recent demonstration they accused the Japanese authorities of trying to evade their legal responsibility for the issue of the "comfort women for the Army" and

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taking a passive attitude and urged the "government" to demand an official apology and compensation from the Japanese authorities.

Performers From Japan, PRC, Congo Arrive

SK0504052995 Pyongyang KCNA in English 0430 GMT 5 Apr 95

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—A delegation of the Japan-Korea Music and Art Interchange Association, an art troupe of Koreans in the United States, a delegation of the Aid Association of Koreans in the United States and a Chinese circus troupe arrived here on Tuesday, to participate in the 13th April Spring Friendship Art Festival.

Earlier, a Congolese trio arrived here.

Koreans in Japan Art Troupe Performance Reported

SK0504052695 Pyongyang KCNA in English 0429 GMT 5 Apr 95

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—An art troupe of Koreans in Japan staying in the socialist motherland to participate in the 13th April Spring Friendship Art Festival, gave a performance at the Nampo Theatre on Tuesday.

The performers who raised the curtain of the performance with the dance and pangchang [song] "April Spring Forever" put on the stage songs and dances reflecting feelings of the 700,000 Korean residents in Japan yearning for the great leader Generalissimo Kim Il-song the Korean people acclaimed for the first time in their history of thousands of years.

The audience was deeply impressed by the folk dance "Dance of Best Wishes" reflecting the will of the 700,000 Korean residents in Japan to hold respected supreme commander General Kim Chong-il in higher esteem and remain faithful and devoted to him as well as their best wishes for his long life.

The performers in the mixed quintet "With Warm Heart" showed well the firm will to achieve without fail the country's reunification, which the generalissimo so earnestly wished in his lifetime, under the wise leadership of General Kim Chong-il.

Military Delegation Arrives in Indonesia 2 Apr

SK0504121295 Pyongyang Korean Central Broadcasting Network in Korean 0100 GMT 4 Apr 95

[FBIS Translated Text] The DPRK military delegation led by Comrade Choe Kwang, member of the Political Bureau of the Workers Party of Korea Central Committee, vice chairman of the DPRK National Defense Commission, and chief of the General Staff of the Korean People's Army, arrived in Jakarta, Indonesia on 2 April.

At the airport the delegation was received by high-ranking Indonesian military figures—including General (Pacial Tanjung), general commander of the Indonesian Army; the commander of the Jakarta Garrison Headquarters; and the West Fleet commander—and our country's ambassador to Indonesia and embassy staff.

Cuban Embassy Officials Help With Monument

SK0504052895 Pyongyang KCNA in English 0433 GMT 5 Apr 95

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—Jose Ramon Rodriguez Varona, Cuban ambassador to Korea, and officials of his embassy Tuesday helped the builders in the construction of the monument to the party foundation.

After hearing the explanation of the construction of a monument of the time, they joined the constructors in arranging the area around the monument.

The ambassador told the constructors that the construction of the monument to praise the immortal exploits of the great leader Comrade Kim Il-song, founder of the Workers' Party of Korea, forever is of great political and historical significance.

Seeing the constructors, he could understand the firm determination of the Korean people to firmly defend and exalt the country's sovereignty, closely united behind the great leader Comrade Kim Chong-il, true to the intentions of the great leader Comrade Kim Il-song, he said.

Papers Observe 35th Independence Day of Senegal

SK0404220095 Pyongyang KCNA in English 1514 GMT 4 Apr 95

[FBIS Transcribed Text] Pyongyang, April 4 (KCNA)—Papers here today observe the 35th anniversary of the independence of Senegal (April 4, 1960).

Noting the Senegalese people, over the past 35 years since the independence, have worked hard to consolidate the country's sovereignty and national independence and build a prosperous new society, NODONG SINMUN in a by-lined article says:

The Republic of Senegal, opposed to colonialism, is striving to develop relations of friendship and cooperation with many countries of the world while pursuing a non-aligned policy externally. Korea and Senegal have established ambassadorial-level diplomatic relations on September 8, 1972, and are promoting friendship.

The Korean people will, in the future, too, make efforts to develop friendly relations with the Senegalese people.

MINJU CHOSON in a by-lined article says that the Korean people wish the Senegalese people greater success in their efforts for the unity and prosperity of the nation.

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More Works of Kim Chong-il Published Abroad

SK0504102695 Pyongyang KCNA in English 1012 GMT 5 Apr 95

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—"Socialism Is a Science", a famous work of the great leader Comrade Kim Chong-il, was carried by the Indian papers TAMAKA DARBAR and GUPTA AINA and the Spanish paper NUEBO RUMBO.

The Pakistani papers SIND EXPRESS and AMAN carried articles explaining the work.

SIND EXPRESS on March 22 said that His Excellency Kim Chong-il, the supreme leader of the Korean people, in the work clearly expounded the basic way for the victory of socialism.

He said that the experience of the Korean revolution, which has advanced under the banner of the chuche idea, shows that if we strengthen the motive force of the revolution and enhance its role, we can not only avail ourselves of the given objective conditions but also turn unfavourable objective conditions into favourable ones and ensure the victory of the revolution by turning adversities into favorable circumstances, a misfortune into a blessing, the paper said, adding that the idea of His Excellency Kim Chong-il is a scientific idea the validity of which has been proved by a protracted historical struggle of the popular masses and the present situation.

Meanwhile, the March issue of the Romanian magazine SCINTEIA SOCIALISMULUI carried the work "Abuses of Socialism are Intolerable."

Nordic Kimchongilia Association Inaugurated

SK0504050895 Pyongyang KCNA in English 0426 GMT 5 Apr 95

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—An inaugural ceremony of the Nordic Kimchongilia Association was held in Stockholm, Sweden, on March 30.

The portraits of the great leader President Kim Il-song and the great leader Comrade Kim Chong-il adorned by Kimchongilia in full bloom were hung on the front wall of the ceremony hall.

Torstein Engelskjon, director of the botanical garden of Tromse University in Norway, read a statement published under the joint names of the proposers and made a speech.

The inauguration of the Nordic Kimchongilia Association aims at fully learning from His Excellency Kim Chong-il, preserving grace and original state of Kimchongilia named after a great man and widely disseminating it, the statement said, adding that the inauguration of the association is of great significance.

Rules and an action programme of the association were discussed and adopted at the inaugural ceremony.

At the ceremony Torstein Engelskjon was elected chairman of the association and Siv Bergal, secretary of the Stockholm City Hall, Sweden, was appointed secretary of the association.

An appeal to lovers of flower and progressive figures of the world adopted at the ceremony called for making active efforts to establish a regional or international organisation for united control of various Kimchongilia associations in the near future.

Kim Chong-il's Attendance at Performance Noted

SK0404215195 Pyongyang KCNA in English 1511 GMT 4 Apr 95

[FBIS Transcribed Text] Pyongyang, April 4 (KCNA)—The great leader Comrade Kim Chong-il appreciated recently the mass gymnastic display "We Will Uphold Him Forever" at the Pyongyang indoor stadium.

Performed by 10,000 school children in Pyongyang, it powerfully demonstrated the unshakable faith and will of the Korean people to accomplish the revolutionary cause of chuche, the cause of socialism in singlehearted unity around the party, holding the great leader President Kim Il-song in high esteem forever.

Mass gymnastic display is very popular in the Democratic People's Republic of Korea.

Involved in it are gymnastic columns, a background stand and music. The gymnastic columns unfold its thematic idea through gymnastic rhythms of various forms and the background stand and music explain and accentuate the movements and contents of the columns.

The mass gymnastic display plays a great role in improving the physical conditions of school children and cultivating their organisation, discipline and collectivism.

It traces its origin to school juveniles' "Gymnastics With Flowers" created and directed by President Kim Il-song during the anti-Japanese revolutionary struggle.

More than 50 pieces of mass gymnastic display, each involving 10,000 or 100,000 school children, have been performed over the past 48 years since "Evening of Sports" was given in Pyongyang in presence of President Kim Il-song on April 22, 1947 after the liberation of the country.

"Our Country Guided by the Leader", a mass gymnastic display performed by 100,000 school children on the 80th birthday of President Kim Il-song, represented on an epical canvas the undying exploits of the respected leader who had turned Korea into a powerful socialist country which is independent, self-sufficient and self-reliant in defence and provided the Korean people with a happy life, and the people's feelings of unbounded gratitude and reverence for him.

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"Korea Today", "With the Party Forever", "Great Victory of Rural Theses" and other mass gymnastic display pieces vividly showed the achievements made in the revolutionary struggle and the construction under the banner of the chuche idea.

People's prize was given to "People Sing of the Leader", "Under the Banner of the Party", "Singlehearted Unity" and other pieces.

The mass gymnastic display of school children is traditionally performed in Korea on the occasion of main holidays, anniversaries and national events.

Pyongyang is now preparing mass gymnastic displays for April 15 and the Pyongyang International Sports and Cultural Festival for Peace slated for late April.

Foreign Countries Support Kim Il-song's Plan

SK0504102395 Pyongyang KCNA in English 1007 GMT 5 Apr 95

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—Broad political and public circles of the world have conducted the brisk international solidarity movement supporting "10-point programme of the great unity of the whole nation for the reunification of the country" advanced by the great leader President Kim Il-song, considering it to be a great political programme for achieving Korea's reunification in the 90s.

Over 160 countries and 60 international and regional organisations took more than 25,000 measures in the past two years supporting the 10-point programme.

More than 350 party, state and government leaders including General Secretary of the C.C. [Central Committee], the Communist Party of Vietnam Do Muoi, Zimbabwean President Robert G. Mugabe, Angolan President Jose Eduardo dos Santos, Congolese President Pascal Lissouba and prime ministers of Central Africa, Equatorial Guinea, Uganda and Burundi and the secretary general of the C.C., the Mozambique Liberation Front Party expressed full support to the 10-point programme in their messages and letters to President Kim Il-song and the great leader Comrade Kim Chong-il and at meetings with Korean ambassadors and members of Korean delegations.

The signature paper supporting the 10-point programme has been signed by some 1,800 million people of more than 160 countries including Burundi, Cambodia, Laos, Pakistan, Nepal, Jordan, Egypt and Tanzania and 50 international and regional organizations including the World Peace Council and the World Federation of Trade Unions.

Among them were President and head of state of the Republic of Guinea Lansana Conte, President of the state of Palestine Yasir 'Arafat, heads of state, government and political parties, members of parliaments and prominent figures of political and public and press circles.

Mass meetings, joint seminars and lectures supporting the 10-point programme were held in Nepal, Syria, Mozambique, Peru, Guyana, Austria and many other countries with the participation of leading party and state officials, members of parliaments and other political and public figures.

Kim Il-song's 'Korean-Style Socialism' Praised

SK0404215295 Pyongyang KCNA in English 1520 GMT 4 Apr 95

["President Kim Il-song Establishes Socialism Trusted by People"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 4 (KCNA)—One of the most important exploits of the great leader Comrade Kim Il-song is that he built the Korean-style socialism centred on the popular masses. The socialist system of Korea provides genuine political freedom and rights and rich and cultured life to the Korean people, says a by-lined article of NODONG SINMUN today, and goes on:

The great leader established the Korean-style socialism fully trusted by the popular masses. He provided the Korean people with a noble political life and conditions for stable and sound material and cultural life in conformity with the essential demand of the social beings and turned the whole society into a large harmonious family where everybody is helping each other.

Thanks to the establishment of the people's power by the great leader the popular masses including workers, peasants and intellectuals who were outside politics and suffered under misrule in the past have become masters of power.

The Chongsanri spirit, Chongsanri method and the Taean work system created by the great leader have been applied to all spheres of society. Therefore, the Korean people are exercising their rights as the true masters of politics and carrying out their responsibilities as such.

In building socialism the fatherly leader defined it as the main policy for the party and the state to ensure food, clothing, housing, education and medical treatment for people in a responsible manner and took a series of popular measures.

Now the relations of love and trust between people dominating Korean society show the advantage of the socialist system. They are a result of the noble love of the great leader for people.

As the great leader provided the people with a worthy political life and sound and equal material and cultural life with benevolent politics, the relations of noblest comradely love and revolutionary fidelity have been established between the leader and the members of society and, on that basis among the members of society in Korea.

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It is the firm will of respected Comrade Kim Chong-il to resolutely defend and exalt the immortal exploits of the great leader who established the most advantageous socialism centred on the popular masses and to build socialism the way the great leader did.

Paper Cites Kim Il-song's Slogans on Unity

SK0504105895 Pyongyang KCNA in English 1033 GMT 5 Apr 95

["Great Banner for Unity of Anti-Imperialist Independent Forces"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—NODONG SINMUN today carries an article headlined "Great Banner for Unity of Anti-Imperialist Independent Forces."

The article quotes the great leader Comrade Kim Il-song as saying:

"'Let the world's people advocating independence unite' is the international slogan of our times."

The article further says:

"Let the world's people advocating independence unite" put forward by the great leader Comrade Kim Il-song is the international slogan raised by our times.

Comrade Kim Il-song put forward this slogan, opening the way for all the anti-imperialist independent forces of the world to unite, successfully promote the global independence and achieve the independent development of all the countries and the nations. This is because, first of all, this slogan makes it possible to unite the people of different nations and states under one banner.

The struggle to achieve the independence of the masses is being waged with the nation and state as a unit. Ideas, systems, political views and religious beliefs of each country and nation are different. If they are to be united under one banner under such conditions, there must be an international slogan which reflects the common interests and demand of all the countries and nations.

This question was resolved as the slogan for the unity of the world people defending independence was set forth.

This international slogan has further strengthened the driving force of the struggle for the global independence. Unity makes it possible to strengthen the driving force of the struggle for independence against imperialism in every way.

The slogan put forward by the great leader Comrade Kim Il-song also makes it possible to smash the aggressive moves of the imperialists with credit and accelerate the cause of anti-imperialist independence.

With the monopoly of capital internationalized today, the imperialists and reactionaries are tied up and aligned with each other and viciously challenging the popular masses' cause of independence. Under such conditions, unless unity and solidarity of all the world's people advocating independence are strengthened, the dominationist moves of the imperialist and reactionary forces who are aligned internationally can neither be checked and frustrated, nor can the sovereignty of the country and the nation be defended, nor can the cause of anti-imperialist independence be realized.

Though the historical conditions and circumstances of each country are different from each other, if the world people advocating independence remain faithful to the international slogan calling for their unity, they can surely unite and grow to be great forces to put an end to the old world and create an independent new world.

Today the world progressive people are strengthening unity and solidarity, regarding "Let the world's people advocating independence unite" as the banner of international unity.

The Korean people will further strengthen unity and solidarity with all the progressive people of the world and actively struggle for the global independence, upholding this slogan.

Hydroelectric Plant Increases Power Generation

SK0504095795 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 4 Apr 95

[FBIS Translated Text] The party members and electricity generating workers of the 17 March hydroelectric power complex, who have received congratulatory messages from the party Central Committee for overfulfilling annual plans for electricity generation over the past 20 years, are also drastically increasing the generation of electricity in April.

In an interview by station correspondent Choe Changhwa, Kim Won-pok, manager of the complex, says:

[Begin Kim Won-pok recording] The party members and electricity generating workers of the 17 March hydroelectric power complex, who have risen up with high enthusiasm to glorify the 50th anniversary of the party founding with successes in increasing electricity generation, are also achieving great innovations in electricity generation in April.

The electricity generating workers of our complex are continuously achieving greater successes in increasing electricity generation with the spirit with which they generated several thousands more kwh of electricity compared with the corresponding period of last year, while not forgetting the great leader [yongdoja] Comrade Kim Chong-il's great love of showing trust in us by sending party Central Committee's congratulatory messages to those who have overfulfilled plans for electricity generation every year.

We are properly and meticulously carrying on the organization and command of combat. As a result, we are waging a vigorous struggle to generate even one more

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kwh of electricity at all units, such as the generating workshops and the structure workshop.

The party members and workers of the No. 1 generating workshop are increasing electricity generation with a relatively smaller quantity of water, while taking care of electricity-generating facilities as befitting the masters and while strictly observing technical regulations and standard regulations for operating equipment.

They are achieving success in further increasing the amount of per-hour electricity generation by actively accepting advanced work methods, such as operating equipment at high efficiency by maintaining water at a high level.

The electricity-generating workers at the Nos. 2 and 3 generating workshops, and at the (Puryong) power plant are overfulfilling daily plans by more than 110 to 115 percent, while carrying out emulation drives for increased production at each individual workshop and at each individual generator.

They are endlessly increasing electricity generation by further increasing the (?efficiency of the water turbines) and making sure that facilities are operated at full capacity.

Our complex is generating more electricity without losing even a drop of water and is sending electricity to various sectors of the people's economy, while attaching great importance also to the maintenance and management of the dam and to water intake drainage. [end recording]

Aeguk Fishermen Overfulfill 'Fish-Catching Goal'

SK0504080695 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 4 Apr 95

[FBIS Translated Text] According to a report by Choe Chang-hwa, correspondent of the Central Broadcasting Network, party members and fishermen in the Odaejin export marine products office are vigorously carrying out the struggle to increase production of export goods by upholding the party's trade-first policy.

Standing at the van of the innovation movement are fishermen of Aeguk No. 101 boat.

Fishermen, including Comrade Yi Chin-ak, are continuously effecting innovations by cherishing the pride in having already fulfilled the third-quarter fish-catching goal.

Fishermen of Aeguk No. 103 boat from the first fleet and No. 9227 boat from the third fleet also carried out a positive and mobile fish-catching combat by cherishing the pride in exceedingly overfulfilling the fish-catching plan for the first quarter. Thus, they are overfulfilling the daily fish-catching plan each day.

Public Health System Described, Praised

SK0504103895 Pyongyang KCNA in English 1018 GMT 5 Apr 95

[FBIS Transcribed Text] Pyongyang, April 5 (KCNA)—Kim Hyong-chol, a worker of the Kaeson youth park management office, received a notice sent by the abdominal surgery of the hospital attached to Pyongyang University of Medicine.

The notice read: "To Kim Hyong-chol, No. 12 of the 27th floor of neighbourhood unit 58 of Kallimgil-tong No.1, Mangyongdae District, Pyongyang.

"We wish you to come to our hospital by March 25 for an ultrasonic waves examination of your belly so that we can review the effect of the operation on you and take measures for further treatment."

He had been carried to the hospital, unconscious with an acute pain on abdomen one night in early March last year. He underwent an operation right after a collective diagnosis of doctors and completely recovered. After leaving the hospital, he was all right. So, he was occupied in his job, forgetful of the medical treatment he had received in a critical state one year before.

Hospitals send such notice to the patients after they leave. This fact can be seen anywhere in Korea.

The Democratic People's Republic of Korea takes care of the health of all the people in a responsible manner. It has enforced the free medical system in the whole areas since January, 1953 when the grim fatherland liberation war was at its height. The section doctor system came into force in 1969, carrying through the prophylactic line of the party. Everyone has a doctor in charge and enjoys systematic medical service including regular medical checkup, consultation and vaccination. Medical service networks cover all places where people live and work, including cities, rural villages, factories, fishing and forestry villages and islets. Many medical workers are trained and dispatched to them every year.

The life expectancy of the Korean people is 74.5.

The Public Health Law which was adopted in April 1980 confidently guarantees by law the protection of health of the working people.

Tradition of Revolution Stressed for Socialism

SK0404120895 Pyongyang MINJU CHOSON in Korean 12 Mar 95 p 2

[Article by Yi Chun-hang: "The Tradition of Revolution Is the Historical Root of Socialism of Our Own Style"]

[FBIS Translated Text] Today, socialism of our own style is advancing victoriously and shedding glorious light on the world. Under the circumstances in which socialism has been hindered in many countries and the imperialists and reactionaries are more viciously committing antisocialist maneuvers, socialism of our own style is unshaken and vigorously advancing, following the single road of escalation and upsurge, because its historical root is our party's glorious tradition of revolution.

The great leader [yongdoja] Comrade Kim Chong-il has taught: Our party's tradition of revolution is a historical

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root that opened the history of Korea's [choson] revolution, and the source of invincible power that firmly guarantees the victory of the revolutionary cause.

Only those trees deeply rooted in the earth can stay unshaken and firm in severe storms and grow green and fresh. The revolutionary cause of the popular masses and the socialist cause also need a firm historical root to successfully overcome any storm and trial and victoriously advance and be brilliantly consummated. The tradition of revolution is the historical root and the source of invincible power that reliably guarantees the victory of the revolutionary cause.

The popular masses' revolutionary cause for independence—the socialist cause—is a historical cause that does not end in one generation but continues for generations. How to invariably maintain the basic characters of revolution and continue the pure life of revolution from generation to generation is an important question in leading the long-term, arduous, and complicated historical cause to victory. This important question for the construction of socialism and communism can only be brilliantly solved through the course of making the tradition of revolution the historical root, and the course of invariably maintaining, correctly inheriting, and developing the tradition of revolution.

The historical experience of the international communist movement and today's rewarding international reality clearly show that the victory of revolution and the destiny of socialism depends on whether to defend, safeguard, inherit, and develop the tradition of revolution, which is the historical root of revolution, or to blur and obliterate the tradition.

Socialism of our own style is a socialism built on the historical root of our party's glorious tradition of revolution—the tradition of chuche revolution—founded by the great leader Comrade Kim Il-song amid arduous anti-Japanese flames. Thus, socialism of our own style is unshaken at any mean attack [konggyok] and slander of the imperialists and reactionaries, and is standing stoutly and demonstrating its solidity and invincibility. In each unique historical step of our unprecedentedly arduous and complicated revolution, we have had the tradition of revolution, whose great driving force and vitality has been clearly verified. This is how our party and people have been able to vigorously advance along the road of socialism, establish and glorify on this land the most superior socialism of our own style centered around the popular masses, despite the circumstances that the country is divided and the interference maneuvers of the imperialists and opportunists are ceaselessly continuing.

Our party's tradition of revolution serves as the historical root of our-style socialism. This is, above all, because it fully embodies the chuche idea, our revolution's guiding ideology.

The chuche idea is the ideological foundation of socialism, and the only guiding ideology of revolution and construction. Our-style socialism centered around the popular masses is based upon the chuche idea, and is the chuche-oriented socialism which embodies the chuche idea.

Our socialism is based upon, and is guided by, the chuche idea. Just herein lies the secret that our socialism is victoriously marching forward even in the face of the continued, knavish anti-socialist maneuvers by the imperialists and reactionaries. The chuche idea is the life of our-style socialism. The process of socialist construction is that of embodying the chuche idea; and a socialist society, a communist society, is nothing but a society imbued with the chuche idea.

The chuche idea, which is the ideological foundation of our-style socialism, is embodied in our party's tradition of revolution that was established in the era of anti-Japanese revolutionary struggle; and it reflects the whole import and substance of such a revolution.

The great leader [suryongnim] created the immortal chuche idea by reflecting the demands of the times and the aspirations of the people in the era of the anti-Japanese revolutionary struggle; and on this basis, he pioneered anew the course of the Korean revolution. In an acute struggle against the factionalists completely imbued with flunkeyism and national exclusionists, he led the anti-Japanese revolutionary struggle to victory by firmly adhering to the chuche-oriented revolutionary line and firmly fortifying the independent, revolutionary forces, thereby providing a brilliant tradition of establishing chuche in the Korean revolution. Up until today since the national liberation, the tradition of establishing chuche, which was provided in the era of the anti-Japanese revolutionary struggle, has served as a decisive factor which has helped our revolution traverse along the single road to brilliant victory and which has helped establish our-style socialism of chuche.

While inheriting the brilliant tradition of establishing chuche, our party and people have smashed the flunkeyism and dogmatism, and thoroughly established chuche in revolution and construction, thereby carrying out the socialist revolution and socialist construction in an original way in conformity with the demands of our people and the reality of our country. As a result, we have been able to wonderfully establish our-style socialism—on this land—which is independent in politics, self-reliant in economy, and self-defending in national defense. If our party and people had followed what others have done, while failing to possess the chuche idea and failing to maintain a chuche-oriented standpoint in revolution and construction, we could not have established the most superior our-style socialism. The half a century-long historical process of the Korean revolution clearly shows that the chuche idea is the most correct guiding ideology for the struggle to achieve the independence of the popular masses, and that if we firmly establish chuche in revolution and construction, we can overcome any difficulty and hardship and win victory in the socialist cause.

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Our party's tradition of revolution serves as the historical root of our-style socialism because it began the origin of unity and cohesion around the leader [suryong].

Our-style socialism is the invincible socialism in which the leader [suryong], the party, and the masses are in single-hearted unity.

The subjects that push for socialism are the popular masses. But, only if the popular masses are firmly united as one around the party and the leader [suryong], can they play their role as independent subjects of revolution, and successfully carry out the socialist construction. The invincible force of the socialist cause lies in a firm, moral, and ethical unity of ideological will between the leader [suryong], the party, and the masses.

The single-hearted unity among the leader [suryong], the party, and the masses, which is the source of the power of the our-own-style socialism and the decisive guarantee for its victory, originated from our party's glorious revolutionary tradition.

During the period of the anti-Japanese revolutionary struggle, the great leader [suryong] put forward the unity and cohesion of the revolutionary ranks as the fundamental question deciding the destiny of the revolution, and devoted all his energy into realizing it. Being endlessly loyal to the revolution, firmly uniting the broad masses with the cadres who have been steeled and tested during their practice as the core, and realizing the cohesion and unity of the revolutionary ranks based on the revolutionary sense of obligation and camaraderie are the principles that was consistently adhered to by the respected and beloved leader [suryong].

The great leader [suryong] brought up the youth of a new generation, who were not contaminated with factionalism and flunkeyism, as the backbone of the revolution and achieved the revolutionary ranks' organizational and ideological cohesion and unity with the youth as its core. Likewise, he expanded the movement of the independent revolutionary forces throughout the entire country by uniting the broad patriotic people at various levels closely around the united anti-Japanese national front. This was a historic event in which the tradition of the national unity and the unity of communist movement were achieved for the first time in the Korean revolution. The tradition of the cohesion and unity that has been prepared in the flames of the anti-Japanese struggle is a tradition of the cohesion and unity centered on the leader [suryong]; a tradition of the cohesion and unity based on the leader's [suryong] revolutionary idea; and a tradition of the cohesion and unity based on the revolutionary sense of obligation and comradely love between the leader [suryong] and fighters. Such a tradition is the model of the single-hearted unity that has reached the most lofty culmination in its purity, firmness, and vitality. In addition, it is a fundamental guarantee that helped to create a new history for the Korean revolution that marches ahead and triumphs under whatever trials and difficulties.

By firmly adhering to the tradition of the cohesion and unity centered on the leader [suryong] and strongly preparing our revolution's driving forces, the leader [suryong], the party, and the masses have become one sociopolitical organic body, all the people have become united, and the entire society has become one big revolutionary family that mutually helps others. Thereby, our people are today accelerating the socialist construction under the party's leadership with the power of the single-hearted unity and are highly displaying the superiority of the socialism of our own style by smashing every step of imperialists's maneuvers to obliterate socialism.

The tradition of the cohesion and unity prepared in the period of the anti-Japanese revolutionary struggle has been adhered to and inherited, and all the questions arising in the revolution and construction have been settled with the masses' single-hearted unity. Herein lies the power of the socialism of our own style that triumphantly marches ahead while overcoming trials and difficulties. The party's revolutionary tradition serves as the historical root of the socialism of our own style also because the chuche-oriented methods of leadership over the masses are embodied in the party's revolutionary tradition.

Socialism is a society that is built and developed by the high revolutionary enthusiasm and creativity of the popular masses, who are the masters of revolution and construction.

In a socialist society, the high revolutionary enthusiasm and creativity of the popular masses can only be enhanced by correctly solving the question of how to lead the masses. The question of leading the masses is an important question in the entire course of the construction of socialism and communism. The method of leading the masses should be ceaselessly improved in accordance with the deepened revolution and construction and elevated ideological and cultural standard of the masses so that the revolutionary enthusiasm and creative activeness of the masses are continuously demonstrated on a high level.

In a socialist society, the method of leading the masses to highly demonstrate their revolutionary enthusiasm and creative activeness is the Chongsan-ri spirit and the Chongsan-ri method, which is an adjustment of our party's traditional method of leading the masses—the chuche method of leadership—founded and developed by the great leader [suryong] during the days of the anti-Japanese revolutionary struggle, in accordance with the new circumstances in which the socialist system has been established. The basic demands of the Chongsan-ri spirit and the Chongsan-ri method is for the superior to help the subordinate, for the functionaries to always work with the masses, and for political work to precede all other work. The method has its root in the chuche method of leadership founded by the leader [suryong] during the days of the anti-Japanese revolutionary struggle.

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The chuche method of leadership, which is an important part of our party's tradition of revolution, is a revolutionary method that always puts first priority on the interests of the popular masses, shares joy and sorrow with the people, and solves all the problems by the strength and wisdom of the people.

Owing to the chuche method of leadership, our party was able to inspire the popular masses to create miracles that surprised the world's people, and effect the great upsurge of Chollima during the difficult and complicated days of the post-war recovery construction and socialist construction. After the socialist system was established, the struggle to embody the Chongsan-ri spirit and the Chongsan-ri method enabled our party to overcome power abuse, bureaucratism, and the old way of administration and work orders that remained among the functionaries, and bring about a great transformation in work methods and ethos.

Under the party's slogan "Serve the people!" a fundamental change was made to the work method and ethos of functionaries through the struggle to have the revolutionary method of leading the masses, which is the leader-style [suryongnimsik] work method founded by the leader [suryong], firmly control the entire party and society. Thus, new miracles have been ceaselessly created in all sectors of revolution and construction and the cause of socialism of our own style is vigorously advancing.

The tradition of revolution established during the anti-Japanese days serves as the historical root of socialism of our own style that advances with limitless vigor and vitality. The tradition of revolution is brilliantly embodied and fully blooming today in all sectors of our social life.

Under the extraordinary and tested leadership of the great leader [yongdoja] Comrade Kim Chong-il, the tradition of anti-Japanese revolution has become the source of limitless power that always leads our people's revolutionary struggle for the construction of socialism and communism to victory and glory.

Upholding the leadership of the great leader [yongdoja] Comrade Kim Chong-il, we should further expedite the victory of the socialist cause by resolutely defending and safeguarding the tradition of revolution, which is the historical root of the socialism of our own style, and by thoroughly embodying the tradition of revolution in all sectors.

South Korea

U.S. KEDO Project Manager Proposal Accepted

SK0504071195 Seoul MUNHWA ILBO in Korean 5 Apr 95 p 1

[By reporters Yi Pyon-so and Han Chong-ho]

[FBIS Translated Text] A high-ranking Foreign Ministry official said on 5 April that the government has decided to accept the proposal to employ a project manager in the Korean Energy Development Organization [KEDO], which the United States has strongly demanded [kangnyokhi yogu], as a compromise measure for the provision of light-water reactors to North Korea that is faced with difficulties due to discord over the decision on the reactor type.

The proposed project manager is a sort of project supervisory organization, which can be authorized to take charge of signing a contract and comprehensively managing the whole project. Since the initial stage of negotiations, the United States has insisted on establishing a project management organization led by a U.S. enterprise as a buffer that mediates between North Korea and the primary contractor (an ROK enterprise).

Regarding the U.S. demand, the government originally decided to employee a small group of service companies for the restricted management of the light-water reactor construction and to name it "program coordinator."

However, it seems that, in a bid to provide ROK-style reactors to North Korea under the situation in which North Korea strongly refuses to accept them, the government has taken a compromise measure that enables an ROK enterprise to take charge of the whole course of reactor provision—including designing, manufacturing, and installing light-water reactors—as the virtual primary contractor, while a U.S. enterprise, employed as the KEDO project manager, is to manage the contract with North Korea.

Meanwhile, it is learned that the ROK has suggested to employ the U.S. professional management company Bechtel as the KEDO project manager.

The government will present this compromise measure as a negotiation card at the fourth round of North Korea-U.S. talks on the light-water reactor issue after reviewing it at the ROK-U.S.-Japan working-level consultation meeting slated for 7 April in New York.

British Vow To Contribute $1 Million to KEDO

SK0504090795 Seoul YONHAP in English 0858 GMT 5 Apr 95

[FBIS Transcribed Text] Seoul, April 5 (YONHAP)—The British Government will donate 1 million U.S. dollars to the Korean Peninsula Energy Development Organization (KEDO) as a starter fee.

The British Government made the announcement Wednesday in the wake of the discussion of KEDO by South Korean President Kim Yong-sam and his British counterpart John Major during Kim's official visit to the latter's country, according to a press release by the British Embassy here.

The contribution reflected the British Government's belief that the framework agreement reached in October 1994 in Geneva between the United States and North

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Korea represented the best solution to the North Korean nuclear problem, an embassy spokesman said.

U.S. Discusses DPRK Liaison Office Progress

SK0504022695 Seoul KYONGHYANG SINMUN in Korean 5 Apr 95 p 2

[By reporter Yi Pyong-kwang]

[FBIS Translated Text] It was learned on 4 April that the United States has notified our government that it does not plan to open the DPRK-U.S. liaison offices before the latter half of this year. The U.S. position stems from the principle to simultaneously link the opening of the liaison offices with the light-water reactor negotiations and progress in South-North relations. This indicates that the exchange of liaison offices would be delayed considerably longer than what our government had originally anticipated.

A Foreign Ministry official said: "The United States had prior consultations with our government regarding the Washington visit of Han Song-yol, minister of the DPRK mission to the United Nations. In this process, the United States expressed that the opening of the liaison offices would be possible after June."

This official added: "There has not been a complete agreement on the consular and technical matters regarding the exchange and opening of the liaison offices between North Korea and the United States. However, a greater problem is that there has been no progress at all in the light-water reactor negotiations and South-North relations." The government views that if the consular and technical issues are to be completely resolved, it will be inevitable to at least hold one more round of expert-level talks for the opening of the liaison offices.

Laney: North Should Accept ROK-Model Reactors

SK0504035995 Seoul CHOSON ILBO in Korean 5 Apr 95 p 2

[Reporter Pak Won-su, Taegu]

[FBIS Translated Text] James Laney, U.S. ambassador to the ROK, on 4 April had a luncheon meeting at the Taegu Prince Hotel with four heads of local organizations in Taegu, namely, Yi Chong-chu, Taegu mayor; Sim U-yong, North Kyongsang provincial governor; Chae Pyong-ha, chairman of the Taegu Chamber of Commerce and Industry; and Kim Pu-ki, president of MAEIL SINMUN. Laney said, "In the ongoing light-water reactor negotiation between North Korea and the United States, North Korea should accept the ROK-model light-water reactors as demanded by the ROK, which is the one paying the money." Ambassador Laney's remark was reported by a participant at the luncheon.

PRC Asked To Help With DPRK Nuclear Issue

SK0504012495 Seoul YONHAP in English 0114 GMT 5 Apr 95

[FBIS Transcribed Text] Seoul, April 5 (YONHAP)—South Korea recently called on China to exercise its influence by persuading North Korea to accept South Korean standard nuclear power plants under the Geneva nuclear deal with the United States, according to Foreign Ministry officials Wednesday.

Assistant Foreign Minister for Political Affairs Yi Chae-chun met with China's ambassador here Zhang Tingyan on two occasions, last Saturday and Monday, to convince the North to accept Korean nuclear reactors while asking for China's help in imposing sanctions against the North if the North breaks the framework agreement by defreezing its nuclear program, according to the officials.

"We are making such diplomatic efforts because China's support is essential both in implementing the Geneva agreement and in discussing possible sanctions against the North in case the North breaks the nuclear agreement," said one official.

"We will continue contacting Ambassador Zhang, judging that China can effectively persuade the North (to accept South Korean-made reactors) which has strongly opposed the idea of accepting South Korean reactors," he said.

The government will also raise the issue when Qiao Shi, chairman of the Standing Committee of the National People's Congress, visits Seoul on April 17, according to him.

China has maintained its position that it welcomed the nuclear deal between Pyongyang and Washington and that nuclear and other issues on the Korean peninsula should be resolved through direct talks between the South and North.

He also said that the government will closely consult with Russia, Australia and other countries expected to take part in the Korean Peninsula Energy Development Organization (KEDO) on the North Korean nuclear issue.

Japan's Obuchi Hails Outcome of Trip to Seoul

OW0304140195 Tokyo KYODO in English 1331 GMT 3 Apr 95

[FBIS Transcribed Text] Seoul, April 3 KYODO—South Korea may understand Japan's intention to resume normalization talks with North Korea, the head of Japan's ruling coalition delegation to Seoul said Monday [3 April].

Keizo Obuchi, vice president of the main coalition partner Liberal Democratic Party (LDP), hailing the outcome of his trip to Seoul, made the remarks following the 40-minute talks with South Korean Prime Minister Yi Hong-ku.

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"We were able to obtain the expected results by fully conveying our intentions and having (South Korea) deeply understand," Obuchi said at a Seoul hotel.

Obuchi briefed Yi on last week's agreement between the Japanese and North Korean ruling parties to urge their governments to resume talks aimed at establishing diplomatic ties, Japanese officials said.

To reopen the dialogue with North Korea, Obuchi promised that Tokyo would maintain close relations with Seoul, the officials said.

Yi told Obuchi that it is Seoul's basic position to reach complete agreement between South Korea and Japan on problems associated with the North and thus maintain their partnership, they said.

Yi also urged Tokyo not to compromise with Pyongyang in the planned normalization talks over the nuclear reactor supply issue.

Yi was quoted as saying Seoul expects Tokyo to conduct normalization talks with Pyongyang by taking all developments into account as long as talks between the United States and North Korea continue on the reactor supply issue.

The premier suggested the April 21 deadline for concluding a nuclear reactor supply contract between the U.S. and North Korea might be delayed, the officials said.

The reactor talks, based on a U.S.-North Korea nuclear accord signed in October 1994 in Geneva, have been stalled in a dispute over what type of reactor should be supplied, with the North rejecting a U.S. offer to provide a South Korean model.

Obuchi noted that last week's coalition delegation to Pyongyang stressed the importance of the U.S.-North Korean nuclear accord and the need for promoting North-South dialogue.

Yi voiced opposition to plans floated in the U.S. to make some concessions on the reactor issue, the officials said.

"Making concessions would help hard-liners in North Korea," Yi was quoted as saying. "It is important to be consistent on principles."

The six-member mission from the LDP, the Social Democratic Party and New Party Sakigake, also conferred later with other government and ruling party officials, including Foreign Minister Kong No-myong.

The mission, ending the two-day trip, returned Tokyo later the same day.

DLP Supports Joint Measures on DPRK Issue

SK0504044395 Seoul SEOUL SINMUN in Korean 5 Apr 95 p 2

[By reporter Pak Song-won]

[FBIS Translated Text] To actively deal with North Korea's nuclear issue which is in a state of confusion since North Korea rejected the ROK-type light-water reactor, the Democratic Liberal Party [DLP] plans to propose to the opposition party suprapartisan diplomatic and security activities such as the formation of a suprapartisan delegation to be sent to related countries including the United States.

Yi Sung-yun, chairman of the Policy-Making Committee, revealed this in a meeting with reporters on 4 April and explained the reasoning for this by saying: "Some people say that the U.S. Government is trying to exert pressure on the ROK to concede on the light-water reactor issue which is directly linked to our important security interests."

Chairman Yi revealed that the DLP will present these measures at the Foreign Affairs and National Unification Committee of the National Assembly. He also stated that the ruling and opposition parties should jointly form a National Assembly delegation to dispatch to the United States and countries involved with the Korean Energy Development Organization to clearly elucidate the inevitability of adopting the ROK-type light-water reactor.

Thai Bank Threatens To Sue Banks for Payment

SK0504045895 Seoul YONHAP in English 0433 GMT 5 Apr 95

[FBIS Transcribed Text] Bangkok, April 5 (YONHAP)—Thai Farmers Bank has threatened to sue two leading Korean banks, condemning the Seoul-based firms for their "irrational" banking practices, an English-language daily in Thailand reported Monday.

The BANGKOK POST reported that the Thai bank is contemplating a "full-scale legal war" against Kukmin Bank and Hanil Bank, for withholding payment for letters of credit, calling it a breach of international banking practices.

The episode began last year, involving a Korean-owned Thai textile company, Level Master Co., and its exporter in Korea, Seoul You Me Co., when the Thai firm sent 22-million baht worth of jackets, through the Korean firm to the U.S. and Germany, the Thai newspaper explained.

The U.S. and German import companies paid the Korean exporter upon receiving the shipment, but in turn, the banks of the Korean exporter, Kukmin and Hanil, failed to pay the Thai company for their goods and services.

The two Korean financial institutions cite two reasons for their inaction: Seoul You Me Co. filed for bankruptcy, while still owing the banks, and Level Master allegedly owed the Korean exporter for failing to meet a manufacturing deadline.

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"The debts owed by the bankrupt company to the two banks has nothing to do with the payment (to Thai Farmers Bank)," an exasperated source from the Thai Farmers Bank told the BANGKOK POST. "The bilateral commitment between the importer and exporter-...has nothing to do with Thai Farmers Bank," he added.

When asked to cooperate, the Korean banks refused, leaving the Thai bank to seek assistance from the Korean Embassy in Bangkok, also to no avail.

Israeli National Carrier Flies to Seoul 5 Apr

SK0504025795 Seoul YONHAP in English 0204 GMT 5 Apr 95

[FBIS Transcribed Text] Seoul, April 5 (YONHAP)—An Israeli national flag carrier flew into Seoul Wednesday, months after South Korea and Israel signed an aviation agreement last December.

Israel's El Al charter flight 091 arrived in Kimpo International Airport at 8:20 AM, carrying 70 passengers and crew members, amid tight security by authorities who fear possible sabotage by Islamic terrorists.

The Israeli carrier, on its part, also took thorough security measures by closely inspecting baggage and interviewing through a Korean interpreter each of over 110 passengers boarding the flight returning to Israel at 10 AM.

The Israeli airline will operate a weekly charter flight between the two countries on Tuesdays to carry travelers and pilgrims to Israel, according to industry sources.

South Korea will soon start regular air service to Israel as soon as an airline is designated to operate flights to Israel, they said.

Improvement Package for Foreign Investors Planned

SK0504010395 Seoul THE KOREA HERALD in English 5 Apr 95 p 8

[FBIS Transcribed Text] The government will come up with a bold package to improve business environment for foreign direct investors by the end of June for implementation from the second half of the year.

At an interagency meeting yesterday, the participants decided to collect the domestic business practices and systems complicating foreign investments in this country and rectify them, said officials of the Ministry of Finance and Economy.

For this, the meeting selected seven major tasks: streamlining foreign direct investment system; promoting the investments by parts and material makers; uncovering and improving systems and practices hindering foreign investments; staging public relationship activities more efficiently; helping stabilize labor-management relationship at foreign-invested companies; supplementing the five-year investment liberalization program; and other issues to improve investment climate.

The detailed measures for each task have yet to be worked out but the government is considering, for instance, actively intervening in the labor disturbances in foreign businesses operating here, the officials said.

It will likely commit law enforcement officers into illegal labor disputes at foreign-invested companies, they said. Rather, the government will try to head off such situations by exercising its arbitrating authority at early signs of labor troubles in these companies.

The participants also decided to activate a government-private sector task force to be only responsible for these tasks, led by Chong Tok-ku, director general of the ministry's international economic policy bureau.

Also taking part in the task force are officials from other government ministries, representatives of private business associations and governmental think tanks.

The government will seek to revise related laws and regulations at this year's National Assembly plenary session starting in September, they said.

Net External Debt Said at 10.2 Billion Dollars

SK0504012995 Seoul YONHAP in English 0104 GMT 5 Apr 95

[FBIS Transcribed Text] Seoul, April 5 (YONHAP)—South Korea's total external debt amounted to 57.3 billion U.S. dollars at the end of 1994, up 30.5 percent over a year before when it stood at 43.9 billion dollars.

On the other hand, the country's external assets reached 47.1 billion dollars at the end of last year, an increase of 30.8 percent in one year, according to figures available at the Finance and Economy Ministry and the Bank of Korea Wednesday.

Therefore, net external debts, which are the total debts minus assets, stood at 10.2 billion dollars at the close of 1994, a rise of 29.1 percent over the end of 1993.

The country's net external debts amounted to 4.8 billion and 11.1 billion dollars at the end of 1990 and 1992, respectively. At the end of 1993, they stood at 7.9 billion dollars.

The Bank of Korea estimates that of the total debts, 9,510 million dollars or 16.6 percent are debts in the Japanese yen.

Meanwhile, the balance of the oversea bonds floated by South Korean banking institutions stood at 9,320 million dollars as of the end of last November.

Of the total, 3,363 million dollars or 36.1 percent were bonds in the Japanese yen.

Financial sources said that since most of the yen-currency bonds remain under the condition of dollar

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swapping, yen-bond floaters won't suffer much even if the value of the won further declines against the yen.

Private Firms To Get On-Line Trade Information

SK0504010595 Seoul THE KOREA HERALD in English 5 Apr 95 p 8

[FBIS Transcribed Text] The Ministry of Trade, Industry and Energy (MOTIE) has decided to provide private economic organizations and enterprises with a wide range of trade-related information and contents of the government's trade policies in real time through PCs (personal computers), a senior MOTIE official said yesterday.

To strengthen its supports of export and import activities of private enterprises, the MOTIE will implement the real time service through PCs beginning early July, said the official.

As an initial step, the MOTIE's real time service will be extended to the Korea Foreign Trade Association (KFTA), the Korea Trade Promotion Corp. (KOTRA), the Korea Institute for Industrial Economics and Trade (KIET), the Korea Institute for Industrial Economic Policy (KIEP) and their overseas offshoots in some 70 foreign countries in the latter half of the year.

The real time service will be later available at general trading companies and other private enterprises in Korea and their overseas branches, the official said.

It will be the first time that a government agency has provided private economic bodies and enterprises with such trade-related information in real time through PCs.

Until now, the KOTRA and the KFTA have been providing the MOTIE with various kinds of trade-related information that they had collected from their overseas offshoots through PCs and their special magazines - the DAILY TRADE NEWS and the OVERSEAS MARKET NEWS.

With the implementation of the real time service, private enterprises are likely to have easy access to a variety of trade-related information and the government's trade policies immediately through PCs and it will contribute greatly to bolstering their export and import activities.

For secret information about foreign trade affairs and government policies, however, the MOTIE will restrict the qualifications of those having access to the information, the official said.

FTC To Survey Conglomerates on Inside Trading

952C0083B Seoul HANGUK KYONGJE SINMUN in Korean 2 Feb 95 p 1

[FBIS Translated Text] With the completion of its investigations into possible unfair insider trading by the 30 largest conglomerates by the end of last year, the Fair Trade Commission [FTC] has decided to expand the scope of investigation to cover the 31st through 50th ranking conglomerates this year and plans to investigate approximately 30 selected corporations for possible insider trading under its statutory power. In addition, by using its statutory power, the FTC will investigate 60 large construction companies, 10 or more government-financed companies, and 50 companies in about 10 manufacturing sectors, including the home appliances industry, for possible unfair trade practices in their dealings with subcontractors, even in cases where no complaints have been filed by subcontractors.

These plans were contained in the 1 February announcement of the FTC under the title "1995 Plan for Statutory Investigations." The FTC also plans to investigate 15 selected large department stores with large volumes of sales in various localities for possible unfair trade practices, such as forcing suppliers to purchase gift certificates, shifting the advertising cost to them, and making belated payments. Investigations will also be carried out to see whether the 466 warnings, recommendations, and orders for remedial actions issued during 1994 have been heeded and carried out properly. When any illegal practice is found, the FTC will file a complaint with the prosecutor's office against both the company and its managing director involved. Under the 1995 plan, the FTC will also investigate any possibility of collusion to fix the prices of goods and services. When a price-fixing case is uncovered, the FTC will refer the group and its responsible executive to the prosecutor's office.

With regard to investigations into the 31st through 50th ranking conglomerates, the FTC will select 10 conglomerates with relatively high average ratios of insider transactions and include in the list of the targets of investigation those two or three affiliates in each of these 10 groups in which the percentage of insider shares, including shares held by board members and their relatives, is higher than the average. Investigations into these companies will be focused on price discriminations, that is, whether inside directors are forcing their companies to buy certain products from other affiliates at higher prices or sell some items to them at lower prices, as well as sales to company officials.

Concerning irregular practices related to subcontracts in construction projects, the FTC plans to investigate 60 of the 100 construction companies currently engaged in large-scale construction projects, mainly to see whether they have violated the laws on the construction industry and subcontracts, such as failure to pay the subcontract prices for the work done in the 1992-1994 period.

On the other hand, investigations into 10 public corporations including government-financed companies will be concentrated on the practices of setting the project unit cost unjustifiably low and cutting the contract prices previously agreed upon.

* Legal Studies and Direction of Judicial Reform

952C0082A Seoul HANGUK KYONGJE SINMUN in Korean 13 Feb 95 p 3

[Article by Kim Chol-su, SNU professor: "Law Education and Direction of Judicial Reform"]

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[FBIS Translated Text] Public distrust in the present law education and judicial system is deepening. Law classes have become a course for students to prepare for the state law exam. Preoccupied with cramming students for "questions most likely to be asked," they are failing to contribute to promoting ethics of the legal profession and development of jurisprudential thinking power. In extreme cases, even nonlaw department students would go to prep schools for similar training and pass the exam. Because the state exam is exceedingly focused on testing applicants' retentive power, it opens the door even for unsocial, unethical applicants to succeed.

Deep-Seated Vestiges of Japanese Imperialism

Once applicants pass the state exam, they are guaranteed of vertical rises in their social standing. After taking a two-year course at the Judicial Training and Research Institute as government employees at state expense, they become judges, prosecutors, or lawyers. It is taken for granted that if they are appointed judges or prosecutors, they will soon become very powerful people, and that if they become lawyers, they will earn a lot of money. Under the influence of the nation's social climate putting government above people, persons of the most superior grades become judges and those next to them in grades become prosecutors. Thus, judges and prosecutors get the recognition as being the elite of all the elites, already lording it over others in their twenties.

Such being the nation's law education and judicial system, which have been left unchanged for 50 years since "liberation," we now hear the growing calls for reforms. The present authoritarian system originates in the despotic, imperialist Japanese systems which we imitated. Vestiges of Japanese imperialism have mostly been removed in all sections of society other than the legal profession, in which the authoritarianism from the Japanese colonial days remains deep-seated. The biggest blind spot in the current judicial system lies in its bureaucratism. Access to the courts are kept as narrow as ever, prosecutors habitually use impolite language, and lawyers tend to be arrogant to clients. All these evils come from their despotic notion that the judicature exists for the sake of those in the legal profession.

In a democratic state dedicated to the doctrine of popular sovereignty, administration of justice exists for the sake of the people and the judicature is only a state organ to serve the people. The basic task of judicial system reform should be to reestablish the image of the judicature as one serving the people. It means effecting a switch from the judicature "for the sake of persons in the legal profession" to one "serving the people."

To Better Serve the People

The court of law is nothing more than a service organ to guarantee the people's right to a fair trial. The people have the positive right to demand a speedy, impartial trial, not just the passive right to the benefit of receiving a trial.

People in the legal profession thus far have reigned over the public, posing as elites, in what contradicts the fundamental spirit of the judicature. This situation has resulted from the fact that they have been limiting the numbers of licensed lawyers to protect their authoritarian interests. In other countries, the ratio is one judicial officer or lawyer for every 300 to every 1,000 people; in Korea, it is one to 10,000. Germany has more than 60,000 lawyers and the United States over 800,000; in Korea, the number is less than 3,000. Yet our lawyers complain that it is too many, insisting that there is no shortage of lawyers because we have many semilegal professions, or that the present number is high enough when per-capita GNP figures are taken into account.

Put the German or U.S. per-capita GNP at approximately four times the Korean level, and Korea should have 15,000 to 40,000 lawyers, according to their theory. But they would keep mum on this point. Semilegal professions exist in all countries. The number of notaries public alone in the United States is estimated at more than a million. Also, the lawyer's fee in Korea is 10 times that in Germany and three times the fee in the United States. With the GNP factor taken into account, it is equivalent to 40 times the German fee and 12 times the U.S. fee. The reason it so high in Korea is because there are not enough lawyers compared with the number of clients.

Nevertheless, our lawyers complain that they do not have enough clients. That is because they tend to be preoccupied with court litigations, narrowing their profession. In the United States, more than half the politicians and government officials are lawyers; lawyers also work as professors and counsels at legal information centers. It should be like that in our country, too. But at present, the pay for judges, prosecutors, or lawyers is so good that they do not go into other professions, causing the evils of most superior talents converging into the judicature. More of them should become politicians or serve in the administration, but the fact is that they converge on the judicature. This is a waste at national levels. It is also an underlying cause of erosion in the nation's international competitiveness.

If the starting pay for the prosecutor or lawyer should be the same as that for an assistant junior official of the administration, more of those who have passed the state law exam would be going into the administration. Presently, however, the salaries for the legal profession are so high that no one would choose to seek administrative posts. This is a problem. Also, in the case of judges, the newly appointed are mostly in their twenties or early thirties. In trials presided over by such young judges, the parties litigant and lawyers frequently refuse to submit to their judgment, causing increases in appealed cases. This is another problem.

Rotational Judge Assignment System Should Cease

A judge is the umpire refereeing arguments between the lawyer and the prosecutor. The referee should not be less

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experienced than the defense lawyer or the prosecutor. Those appointed to the bench should be selected from among those who have served as defense lawyers, prosecutors, professors, or as court investigators for a minimum of 10 years. They should be in their late forties and serve on the bench until they reach the mandatory retirement age.

Judges should be prevented from becoming defense lawyers. Under the present system, to become lawyers later, judges would be assigned, on a two-year rotational basis, domestic relations, civil, criminal, and administrative cases. Thus, they have, in fact, failed to develop specialties for themselves. In the future, the system of rotational assignment with promotion should be scrapped to enhance the court specialties.

The law education should also be improved. The term of study should be lengthened to six years—a four-year undergraduate education devoted to studies of laws in general plus a two-year graduate school course for special training to become lawyers. The new system thus introduced should ensure that more than 80% of graduates pass the bar exam.

It is advisable that, of the existing law schools, superior ones are turned into graduate schools gradually. The present state law exam system will be maintained until the graduate schools turn out their first graduates. And in this connection it is desirable to increase the number of successful applicants gradually, say to 600, then to 1,000.

If the task of judicial reform should be left to the present bench and bar possessed with antiquated thoughts, it is impossible to expect anything new coming out of it. Chongwadae should therefore take revolutionary steps for judicial reform and improvement in law education. Now that a national consensus seems to have been reached on the need to liquidate the present authoritarian judicature, all that we are expecting now is for authorities to act and carry out the reforms.

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Burma

TV Reports Envoy's Response to Hubbard Speech

BK0504102295 Rangoon TV Myanmar Network in Burmese 1330 GMT 4 Apr 95

[FBIS Translated Text] It has been learned from the Ministry of Foreign Affairs that the Myanmar [Burmese] ambassador in Washington, U Thaung, has recently written a letter to Mr. Thomas Hubbard, U.S. deputy assistant secretary of state, expressing serious disappointment at a thoroughly biased attitude taken by him regarding Myanmar [Burma] in his address to U.S. corporate executives at a meeting in New York on 8 March sponsored by the Asia Society.

Mr. Thomas Hubbard's criticism of Myanmar is based mainly on unsubstantiated accounts made by armed insurgent groups and their supporters above ground. The Myanmar ambassador pointed out that Mr. Hubbard's assessment of the prevailing situation in Myanmar was flawed and therefore did not reflect reality.

In his speech, Mr. Hubbard alleged that there are gross violations of human rights in Myanmar. He claimed the existence of forced labor in cities, towns, and villages. He also charged that opium production has doubled in Myanmar, that the State Law and Order Restoration Council [SLORC] has overturned elections to the constituent assembly, that the Tatmadaw [Defense Services] has renewed its military offensive against the Karens, and has failed to sign an accord with the ICRC [International Committee of Red Cross].

Following are the main points expressed by the ambassador in his letter to Mr. Hubbard:

The SLORC was formed of necessity; it was compelled to step in to save the country from disintegration.

Representatives elected in the 1990 election are taking an active part in the National Convention, which meets regularly.

If some politicians find themselves restricted, it is because action has been taken against them for infringement of laws of the land and not because of the political conviction.

The Myanmar Government is not adverse to cooperating with the International Committee for Red Cross, ICRC; several workshops have already been held in Myanmar in cooperation with the ICRC, and the government has sent the ICRC a counterproposal regarding a memorandum of understanding to be signed.

Myanmar has an unbroken record of cooperation with the UN and its subsidiary bodies. There is an ongoing constructive dialogue between the representative of the UNSG [United Nations Secretary General] and the Government. The special rapporteur of the UN Commission on Human Rights also had the opportunity to Myanmar several times. It should, however, be borne in mind that nothing in the charter authorizes the UN to intervene in matters that are essentially within the domestic jurisdiction of Myanmar.

The Government of Myanmar places the greatest emphasis on unity and considers peaceful national reconciliation as one of the main purposes of the National Convention. As a direct result of peace negotiations, 14 armed groups have returned to the legal fold, and the government has continued to leave open the door for the two remaining armed groups.

The Myanmar Armed Forces have unilaterally restrained themselves from launching a military offensive against the KNU [Karen National Union]. The KNU headquarters at Manerplaw and subsidiary camps have been overrun, not by the Myanmar Armed Forces, but by Karen regulars, who are disillusioned with the KNU leadership and who want to live in peace and so revolted against their leaders.

It is morally indefensible for any state to support these armed groups who live off the land by waging terrorist campaigns. Those who crossed into Thailand, taking shelter from the fighting, are now returning to Myanmar by the tens of thousands.

In the eyes of Myanmar, the contribution of labor for public infrastructure projects is regarded as a religious act of merit. The difference in cultural traditions and values and the level of development perhaps makes it difficult for the West to appreciate such an outlook.

Myanmar has been waging a relentless war against narcotic drugs and has always regarded the antinarcotic campaign a national responsibility.

At the international level, we have been coordinating our efforts with our neighbors as well as with the United Nations Drug Control Program, UNDCP. In 1995, U.S. experts were able to conduct a joint opium yield survey in Myanmar. Myanmar's commitment to counternarcotic measures can easily be verified with the U.S. Drug Enforcement Administration, DEA.

KNU Insurgents Reportedly Attack Village

BK0504032595 Rangoon Radio Myanmar in Burmese 0630 GMT 4 Apr 95

[FBIS Translated Text] At about 2130 [1500 GMT] on 21 March, about 10 members from a KNU [Karen National Union] terrorist insurgent group led by Aung Phone alias Pha Ei Thu opened fire ten times from M-79 rocket launchers and small arms at homes and a patrol hut in the outskirt of Inpiyi village in Nyaunglebin Township and fled across the Sittang River.

The brutal attack by KNU terrorist insurgents burned down the huts of U Kalar and U Win Aung in Inpiyi village and Ma Kyu, age 24, wife of U Kalar and Ma Aye Nyu Wai, age 4, daughter, were wounded by 40-mm shrapnel. Responsible authorities had sent the two

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wounded persons for treatment at Peinkalok Hospital and military columns are pursuing the terrorist insurgents who fled.

Newspaper Carries Details of Appropriation Law

BK0504014595

[FBIS Editorial Report] Rangoon MYANMA ALIN in Burmese on 25 March on page 3 carries the first part of the "The State Supplementary Appropriation Law, 1995" of the State Law and Order Restoration Council, or SLORC, dated 24 March 1995.

The law begins with three chapters of text.

Chapter I, entitled "Title and Period of Effectiveness," reads:

"1. (a) This law shall be called the State Supplementary Appropriation Law, 1995;

"(b) This law shall have effect for the 1994-95 financial year."

Chapter II, entitled "Sanctioned Allotment and Administration of Supplementary Expenditures" reads:

"2. (a) The respective persons who have been assigned responsibility for expenditures sanctioned in Schedules (1), (2), and (3) in respect of the State Law and Order Restoration Council, Multiparty Democracy General Election Commission, government, chief justice, attorney general, auditor general, ministries, departments, and state economic organizations may incur the relevant expenditures shows against them; "(b) Appropriation sanctioned under subsection (a) shall be deemed to be supplementary expenditure in addition to the appropriation sanctioned under the State Budget Law, 1994.

"3. (a) The respective persons who have been assigned responsibility under Section 2 may delegate the respective officials subordinate to them to administer the expenditure for which they are responsible;

"(b) In administering the expenditure, it shall be in conformity with the provisions of this law; provisions of the State Budget Law, 1994; relevant laws, rules, regulations, by-laws, orders, directives, and procedures."

Chapter III, entitled "Taking of Loans," reads:

"4. Twelve billion kyats are further appropriated in addition to the amount of loans actually received after the execution of loan agreements mentioned in Section 12 of the State Budget Law, 1994."

Chapter III is followed by the untitled "Schedule 1." Schedule 1 lists the following expenditures, all in kyats:

SLORC—ordinary expenditures at 12,926,000;

Government—capital expenditures at 23,724,000;

Chief Justice—ordinary expenditures at 950,000;

Attorney General—ordinary expenditures at 4,095,000;

Total—ordinary expenditures at 17,971,000 and capital expenditures at 23,724,000.

MYANMAR ALIN on 26 March on page six carries the final part of the 1995 State Supplementary Appropriation Law beginning with "Schedule 2," entitled "Ministries and Departments." This schedule lists the following expenditures, all in kyats:

Ministry of Foreign Affairs—ordinary expenditures at 10,248,000, contributions at 298,000, and capital expenditures at 4,443,000;

Ministry of Defense—ordinary expenditures at 1,362,873,000 and capital expenditures at 1,398,981,000;

Ministry of Progress of Border Areas and National Races and Development Affairs—ordinary expenditures at 29,210,260, contributions at 39,710,800, and capital expenditures at 307,234,760;

Ministry of Home Affairs—ordinary expenditures at 278,205,000, contributions at 53,000,000, capital expenditures at 49,522,000, and repayment of loans at 61,255,000;

Ministry of Religious Affairs—ordinary expenditures at 40,688,000, contributions at 12,177,000, and capital expenditures at 6,174,500;

Ministry of Social Welfare, Relief, and Resettlement—ordinary expenditures at 24,573,000, contributions at 2,092,000, and capital expenditures at 31,247,000;

Ministry of Information—ordinary expenditures at 4,727,000 and capital expenditures at 5,226,000;

Ministry of Culture—ordinary expenditures at 14,045,000, contributions at 10,000,000, and capital expenditures at 113,417,000;

Ministry of Education—ordinary expenditures at 209,006,000 and capital expenditures at 320,917,000;

Ministry of Health—ordinary expenditures at 10,823,000 and capital expenditures at 195,314,000;

Ministry of Labor—ordinary expenditures at 893,000 and capital expenditures at 377,000;

Ministry of Forestry—ordinary expenditures at 37,084,000, contributions at 75,000, capital expenditures at 62,422,000, and investment in organizations at 50,000,000;

Ministry of Agriculture—ordinary expenditures at 321,060,000 and capital expenditures at 1,369,357,000;

Ministry of Livestock Breeding and Fisheries—ordinary expenditures at 115,252,000, capital expenditures at 6,820,000, and investment in organizations at 7,328,000;

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Ministry of Mines—ordinary expenditures at 1,665,000;

Ministry of Energy—ordinary expenditures at 253,000 [figure as published];

Ministry of Construction—ordinary expenditures at 859,174,000 and capital expenditures at 2,514,387,000;

Ministry of Transport—ordinary expenditures at 7,424,000 and capital expenditures at 428,910,000;

Ministry of Rail Transport—ordinary expenditures at 1,597,000;

Ministry of Communications, Posts, and Telegraphs—ordinary expenditures at 788,000;

Ministry of Trade—ordinary expenditures at 5,886,000;

Ministry of Cooperatives—ordinary expenditures at 3,842,000 and capital expenditures at 19,334,200;

Ministry of National Planning and Economic Development—ordinary expenditures at 3,409,000 and capital expenditures at 2,550,000;

Ministry of Finance and Revenue—ordinary expenditures at 80,899,000, payment of interest at 760,000,000, contributions at 747,768,000, and capital expenditures at 19,650,000;

Total—ordinary expenditures at 3,423,624,260, payment of interest at 760,000,000, contributions at 865,120,800, capital expenditures at 6,856,283,460, repayment of loans at 61,255,000, and investment in organizations at 57,328,000.

This is followed by "Schedule 3," entitled "State Economic Organizations." It lists the following expenditures for state economic organizations, all in kyats: ordinary expenditures at 22,395,885,850, capital expenditures at 2,357,674,070, disbursement of loans at 57,000,000, and investment in organizations at 23,970,000.

Brunei, Malaysia & Singapore

Malaysia

Tokyo Newspaper Interviews Mahathir on EAEC

OW0404140995 Tokyo YOMIURI SHIMBUN in Japanese 1 Apr 95 Morning Edition p 4

["Gist" of interview with Malaysian Prime Minister Mohamed Mahathir by Ruriko Hatano in Kuala Lumpur on 31 March]

[FBIS Translated Text] The following is the gist of an interview with Malaysian Prime Minister Mahathir:

EAEC

The EAEC [East Asia Economic Caucus] is designed to discuss problems that are common among countries in the East Asian region and methods of supporting developing countries. This is intended neither to hurt Japan nor to damage Japan-U.S. relations. This is not a trade bloc or a tariff alliance either. The United States belongs to a trade bloc called the North American Free Trade Agreement (NAFTA). Australia and New Zealand have also formed a trade bloc. However, we are not complaining about them. Cannot East Asia be allowed to form a council without the United States, Australia, and New Zealand?

(Regarding a meeting slated to be held in Thailand in late April by economic ministers of nine countries—the Association of South East Asian Nations (ASEAN), Japan, China, and the ROK—it was reported that a top official of the Japanese Ministry of International Trade and Industry had said that Japan would not attend the meeting if the EAEC becomes an item on the agenda.) Japan should not require such a precondition for attending the meeting.

Although Japan is entitled to freely express its views on the EAEC, it should not say that this or that issue should not be discussed at the meeting. This gives an impression of great-power chauvinism. We cannot accept such conditions.

APEC

(Compared to the two summit talks of the past), preparations for holding the summit talks in Osaka are being made very smoothly. However, we have still not decided yet if I will attend the summit talks. I do not want to attend a summit meeting in which one country imposes its views on all of the other participants. A declaration should be prepared after holding free discussions, and a decision on a declaration should not be made before a meeting (like the Bogor declaration of last year). I will attend the summit meeting if such conditions are met.

APEC should become a reasonable forum where issues related to development, in particular, are discussed. Nobody wants to see APEC weaken the presence of ASEAN.

Asia-European Summit

The summit will be of no significance if many Asian countries, which are so different from each other in terms of development phases and political systems, attend it. Later, we can invite Pakistan, India, and Bangladesh to attend the summit. However, it is better to allow only East Asian and European countries to attend the summit at this stage.

U.S. Forces Stationed in Asia

(The Japan-U.S. Security Treaty and presence of the U.S. Forces in Japan) will escalate tension if they conduct activities in reference to a hypothetical enemy.

Malaysia, which is a small nation, has to survive while living in fear of the presence of Japan and China. The presence of U.S. forces in Asia does not necessarily guarantee our security. Although Bosnia is supposedly

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under the regional jurisdiction of NATO, it is not safe. NATO made a pledge, saying that it would protect human rights. But it did nothing, although many Bosnians were killed right before their eyes.

Suppose Japan and the United States share a common interest. Do you think the United States would protect us if we were attacked by Japan? Even if we sign a treaty with the United States and Britain saying that they would come to save us if we were threatened by China, we cannot be certain whether they would actually come to help us if they have strong trade ties with China.

Strong Yen

(The amount of yen-based debts has increased in the wake of the appreciation of the yen.) It is not our fault. Why must we pay higher rates on the debts? This is a result of changes in the relations between Japan and the U.S. as well as Japan and Europe. We called on the Japanese Government to make concessions. But the Japanese Government said: "No. The loans have to be paid back in yen."

The strong yen is a consequence of the huge amount of surplus Japan has in its trade with the United States and Europe. The Japanese Government created it. Japan should settle the trade surplus issue by buying more goods from Europe and the United States. Moreover, since Japan became rich through its trade with East Asia, it should pay attention to our problems as well.

China

China is not an expansionist nation. Historically speaking, China never conquered its neighboring countries. It is a matter of course for China, which became rich, to strengthen its military power. China has to make money by trading with other countries, so it has no intention of attacking other countries. China currently has a tendency to build up its influence through boosting its economic power.

If you specify your future enemy, that person will turn around and think that you are his or her current enemy. It is wrong to specify a potential enemy. If there is a security problem, we will talks about it at an ASEAN regional forum.

Nuclear Nonproliferation Treaty

The nuclear states should abolish their nuclear weapons. However, as long as they have nuclear weapons, the nuclear states cannot say that other counties should not have nuclear weapons. We hope the nuclear Nonproliferation Treaty (NPT) will be extended. At the same time, we also hope that a clause will be incorporated in the NPT saying that the nuclear states should reduce their numbers of nuclear weapons with an aim to ultimately abolish them. In other words, we assume the stand of supporting a conditional extension of the treaty.

Seven Industrialized Countries' Summit Talks

Now that the world situation has changed, holding a summit meeting of the seven industrialized nations is behind the times. Since many new countries are qualified to express their views, this exclusive club can no longer control the world. Decisions made by the club affect all countries. Moreover, we cannot say anything about their decisions. It is unfair and undemocratic to us.

Asian Sense of Values

In the West, people attach value to individual rights but do not care about the rights of society. We value both. This is an Asian sense of values.

Some European countries and the United States allow marriage between men. This is nothing but an insane practice. Concerning the movement to expand women's rights, I am against discriminative treatment in employment, looking down on women, or not allowing equal civil rights for women. However, I do not mean to say that women's freedoms should be exactly the same as those of men. After all, women should be women.

Cultural Collision

When the ideological confrontation disappeared, Western nations needed to create a new sort of enemy. They started to treat religions and cultures as their enemies. This is a wrong view. They have to be generous to each other. It is wrong to label Islam a form of terrorism. There are terrorists in Christian nations and Buddhist societies. Cultural differences have nothing to do with this fact.

Other Matters

Regarding the issue of the Spratly Islands, China assumes different stands depending on the country with which it deals. China does not want a multilateral settlement. I think that China accepts the idea that a settlement should be reached through discussions.

I do not think that (Singapore's execution of a Filipino maid) will impede unity among ASEAN member nations. This issue will be settled in the long run.

Laos

Central Committee's 10th Plenary Session Noted

BK0504103995 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 3 Apr 95

["News Release" issued by the Lao People's Revolutionary Party Central Committee in Vientiane on 1 April 1995]

[FBIS Translated Text] The 10th plenary session of the 5th party Central Committee—convened from 30 March to 1 April—concluded successfully amid an atmosphere

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of commitment. The session discussed and reached decisions on the following important issues:

1. The session assessed the situation since the convening of the 9th plenary session and reached a decision on the direction of certain tasks for the second half of this year aimed at fulfilling the socio-economic development plan and the budget plan for FY 1994-95.

2. The session discussed and defined directions in consolidating and stepping up political and ideological work in the new period aimed at raising its quality to meet the needs of political duties in the new situation.

The 10th plenary session of the 5th party Central Committee endorsed a resolution aimed at promoting and encouraging the entire party, Army, and people to continue implementing the two strategic tasks of defending and building the country and successfully fulfilling the 1994-95 program of action.

Let all leading and key cadres in all services at all levels throughout the country pay attention to studying and appreciating the policies and lines of the party and state as well as the resolution adopted by the 10th plenary session of the party Central Committee; further bolster the revolutionary cause; and carry out their duties with a high sense of responsibility and faithfulness to the interests of the country. Let all cadres and party members at all levels and people of all strata and ethnic origins strengthen their unity, further enhance the tradition of patriotism and dedication, and march forward to build our own strength, thereby making ardent contributions to the cause of restructuring and turning this into a year of achievements to welcome our nation's important historic anniversaries as well as the 6th party congress.

Vientiane, 1 April 1995
The Lao People's Revolutionary Party Central Committee

Border Security Group Meets With Thai Side

BK0504024295 Vientiane KPL in English 0958 GMT 4 Apr 95

[FBIS Transcribed Text] Vientiane, April 3 (KPL)—The Lao-Thai and Thai-Lao Border Security Subcommittees on March 30 successfully closed their first meeting for 1995 in Ubon Ratchathani, Thailand.

The Lao side was headed by Brigadier General Douangchai Phichit, vice director of the General Staff Department of the Lao People's Army and chairman of the Lao-Thai Border Security Subcommittee, while Lt. Gen. [Lieutenant Geenral] Phairot Nutsaya, director of the Military Operations Department of the Thai Army led the Thai side.

Both sides agreed that the Lao-Thai relationship has improved over the past three months. This was reflected in the state visit to Thailand in mid-February by President and Mrs. Nouhak Phoumsavan of the Lao People's Democratic Republic at the invitation of Their Majesties the King and the Queen of the Kingdom of Thailand. The Lao and Thai Armies have further expanded their meetings to tackle issues along the common border aiming to make it a genuine border of peace and friendship.

Basically, the situation along the Lao-Thai border is peaceful, except at some points where local people or even officials violate the immigration regulations and conduct smuggling and other activities. In this connection, the meeting agreed to inform local people of the regulations and tighten control.

The meeting also urged local subcommittees to start their formal meetings.

* Xieng Khouang Governor Discusses War Damage

95SE0068A Vientiane PASASON in Lao 1 Dec 94 p 3

[FBIS Translated Excerpt] During the preparations to celebrate the 19th national day on 2 December, representatives of the Lao Writers Society visited Xieng Khouang Province. Mr Phoumi Thipphavon, a member of the Party Central Committee and governor of Xieng Khouang Province, answered their questions in detail as follows: [passage omitted]

Unfortunately during the war there was destruction from the air and on the ground that was caused by the new colonialists from 1964 to 1973. The entire land, which had been abundant with animals and plants became a bloody battlefield. They poured hundreds of thousands of tons of bombs on the Plain of Jars in Xieng Khouang and along Highway 7. One could say that the people of Xieng Khouang received an average of three tons of bombs each. Every village was sunk in craters in the red earth until there was no house pole left standing upright. In particular during the Odeon battle and the Redeem Honor battle in the period from 1969 to 1971, the people of Xieng Khouang Province and the Plain of Jars fled their homes in all directions. Some migrated to Vietnam, and some were forced by the enemy to go to Vientiane and Long Cheng. This caused families to be separated. Many wives were separated from their husbands, and many fathers were separated from their children and wives. There were widowers, widows and children who had lost one or both parents in almost every family. Many families were completely wiped out by enemy bombs.

After the nation was completely liberated, the whole country was at peace. However our Xieng Khouang Province was not peaceful. Every year at least 20 farmers of this province died because of the bombs of the new colonialists. Even today they are still meeting misfortune from these bombs. Although a few years ago the Mennonite Central Committee retrieved some of the bombs, they did not cover a wide area.

With regard to the problem of the development of Xieng Khouang Province in the past, he stressed that: "Because

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the people of Xieng Khouang Province lived through a fierce war for nine years and fled from this war, even though there has been peace for 19 years, these have been 19 years of difficulty and confusion. In fact Xieng Khouang Province has been developing and repairing just since a few years ago. In particular after the Party Central Committee adopted the policy of reform and opening up, Xieng Khouang Province has begun to grow and develop. [passage omitted]

* Mountain Development Unit Finances Reported

95SE0068B Vientiane KONGTHAP PASASON LAO in Lao 16 Nov 94 p 1

[FBIS Translated Excerpt] From the 3d to the [date missing] of November at Lak Sao in Khamkoet District, Bolikhamsai Province, the Mountain Area Development Corporation held its third conference, which included summarizing and drawing lessons from its business operations and its successful development of the economy and society in the mountain area among the multi-ethnic people during the past 10 years. Those honoring the meeting with their attendance included Mr. Phao Bounnaphon, a member of the party Central Committee and a minister attached to the Office of the Prime Minister, various ministers and deputy ministers, the governors of Bolikhamsai Province and Khammouan Province, and the representatives of local administrations, branches and joint ventures both domestic and foreign. In addition there were also representatives from Nge Anh Province, Ha Tinh Province, and the Headquarters of the Fourth Military Region in the SRV. There were also 300 cadres and workers from the corporation.

At this historic conference Mr. Cheng Saignavong, the chairman of the board of directors of the Mountain Area Development Corporation, presented a report of business operations and economic and social development in the mountain area among the multi-ethnic people during the past 10 years. This corporation was officially set up by decree No. 188/PSL of 29 August 1984 of the Council of Ministers. Its assignment was to operate an integrated business according to economic plans, carry out the economic policies of the party and state in developing the economy and society in the mountain area among the multi-ethnic people, and engage in business cooperation with other countries on the basis of friendship, equality and mutual advantage. The report stated that during the past 10 years there were many difficulties but the corporation worked hard at its business and achieved good results, and it indicated that the corporation had distributed $79,671,361.15 (American) worth of goods in 10 years. Total income had been: $105,831,267.65. Of this $6,499,418.85 were profits, and they used $27,901,977.35 to fulfill their obligation to the budget. [passage omitted]

* Article Discusses Development of Lak Sao

95SE0068C Vientiane KONGTHAP PASASON LAO in Lao 30 Nov 94 pp 1, 2

[FBIS Translated Excerpt] More than 10 years ago when Lak Sao was still an empty, forested area, the cadres, combatants and state employees of the Mountain Area Development Corporation, who generally were veterans of the war of national liberation, set up tents and slept and ate on the banks of the Nam Phao River. [passage omitted]

Before 1985 the countryside around Lak Sao on highway 8A was in an area of Khamkeut District, which was known for having only seven houses. [passage omitted]

On 29 August 1984 resolution No. 188/PSL of the Council of Ministers created the Mountain Area Development Corporation. It became the first to clear and develop the countryside and mountains of Lak Sao. After it was set up, the party and state as well as the Minister of Defense assigned duties to it, which required bravery and honor. The corporation not only had to operate a fully integrated business according to the economic plan, which included agriculture and forestry, building an infrastructure, industry, handicrafts and processing, services, trade and tourism, but it was also assigned the duty of developing the economy and society there in their area of operation on the basis of a close relationship between building the economy and public security activities. It also took part in strengthening the political grassroots among the multi-ethnic people and building a prosperous economic and social foundation to steadily raise the living standard of the multi-ethnic people.

Since then the development of Lak Sao has proceeded vigorously and continuously. The Mountain Area Development Corporation has been self-sufficient in funds by relying on the nation's priceless natural resources, and it has concentrated its development according to the directions of upper echelons so that Lak Sao has become a town. If someone went to Lak Sao today who had seen it 10 years ago, he would be startled by the changes—it is like the difference between night and day. The forest, brush and marshes have become a small industrial town performing activities benefitting the public. [passage omitted]

In the past 10 years the corporation has invested $380,544.60 in building the town of Lak Sao, $4,574,246.66 in building bridges and national highways, $670,906.25 in building hospitals, and $1,322,705.92 in building airports and tank farms. These projects have profoundly changed the living standards of the people of this area. The population of the town of Lak Sao has increased to to more than 12,000. Their descendants can now be happy, attend school, and go to the hospital for care when they are sick. Travel by air and by land is convenient. There is an air route from Vientiane to Lak Sao and Lak Sao to Vientiane with

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regular service, and there is constant bus service between the various provinces and Lak Sao. The people have the opportunity to produce goods and sell them in the market to make an income for themselves. [passage omitted]

Philippines

No Spratlys Agreement Between ASEAN, PRC

BK0504024895 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 4 Apr 95

[FBIS Translated Text] No clear agreements have been reached by the representatives of ASEAN and China to peacefully resolve the issue of the Kalayaan [Spratlys] Islands. Meanwhile, Foreign Secretary Roberto Romulo said that Stanley Roth, U.S. national security director for East Asia, and Ambassador Negroponte will emphasize the issue in the coming bilateral talks between the United States and China.

China avoided discussion of the issue with the ASEAN representatives. According to the Chinese officials, the issue should not be discussed, especially if it can affect the bilateral relations of the member nations of the ASEAN.

Reportage on Arrest of New York Bombing Suspects

'Terrorist Plot' Said 'Under Control'

BK0504015395 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 4 Apr 95

[FBIS Translated Text] Local Government Secretary Raphael Alunan said the government has the terrorist plot against Filipino and foreign targets in the country under control. This statement was made in connection with the arrest of six Arabs in Caloocan last Saturday. Alunan added that the six Arabs had been on the DFA [Department of Foreign Affairs] watchlist of suspected terrorists since 1991.

[Begin Alunan recording in progress, in English] ...by (Juvenile) Bruno also known as Abu-Jihad, international liaison officer of the al-Islamiya, otherwise known as the Abu-Sayyaf group, who was recently captured in Jolo, Sulu. Bruno provided the vital intelligence that led to the discovery of the group's safehouses.

ISNG [expansion unknown] members are fanatic followers of 'Abd-al Omar Rahman, a blind sheik, who is currently under trial in the United States for masterminding the bombing of the World Trade Center in New York City in February 1993. The ISNG is a breakaway group of the overseas support structure of Hamas, the Islamic Resistance Movement in the Philippines. [end recording]

The president has ordered the AFP [Armed Forces of the Philippines] and PNP [Philippine National Police] to intensify the hunt for other members of the terrorist group linked to Ramzi Yusuf. Yusuf is a prime suspect in the New York World Trade Center bombing in 1993, the Philippine Airlines disaster in 1994, and the plot to kill the pope when he visited the Philippines last January.

'Terrorists' Targetting Asia

BK0504085295 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0800 GMT 5 Apr 95

[FBIS Translated Text] National Capital Region Chief Jewel Canson has said the terrorists allied with Ramzi Yusuf are aiming at making the Asia-Pacific, particularly the Philippines, the center of terrorism. Canson also said his office continues to monitor some 25 Arab terrorists who are believed to be remaining in the country.

It should be recalled that police authorities recently arrested six Arab terrorists in Caloocan City. The police suspects the six were responsible for the World Trade Center bombing in New York and the assassination attempt against Pope John Paul II during the pope's visit in Manila.

Targetting U.S., Saudi Citizens

BK0504010995 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 4 Apr 95

[FBIS Translated Text] The terrorists have evil plans against U.S. and Saudi nationals in the country. This has been revealed by PNP [Philippine National Police] Chief Recarido Sarmiento. Sarmiento said this conclusion is based on documents taken from six Arabs arrested in Caloocan through the help of (Juvenile) Bruno, alleged to be an Abu-Sayyaf liaison officer. The authorities link the six Arabs to Sheik Omar Rahman, a blind Egyptian currently being tried in connection with the World Trade Center bombing in 1993. In light of this, the police believe the terrorists would like to harm U.S. nationals to avenge their companions currently being tried in the United States in connection with the bombings.

PNP Chief on Ipil Attack Casualties, Motive

BK0504121495 Quezon City ABC-DWET Television in Tagalog 1000 GMT 5 Apr 95

[FBIS Translated Text] [Announcer] General Recaredo Sarmiento, Philippine National Police [PNP] director general, today revealed that 45 people have been confirmed killed during the attack in Ipil, Zamboanga del Sur by suspected Abu Sayyaf members yesterday. Sarmiento said the casualties are composed of 32 civilians, seven PNP personnel, and four Armed Forces personnel, including Battalion Commander Major David Subido. Sarmiento added that only 32 of those killed have been identified so far.

Sarmiento denied speculations that yesterday's attackers were supported by a foreign terrorist group. He said most

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of the arms recovered by the authorities from the terrorists were loose firearms that might be used by the Moro National Liberation Front Lost Command and Moro Islamic Liberation Front.

[Begin Sarmiento recording, in English] This raid was a retaliation for the arrest of the six Middle Eastern nationals because as early as February, I said, they have already plans for this. They have planned for the raid of General Santos, Davao City, and Zamboanga City. [end recording].

[Announcer] Here is the latest report from ABC NEWS Reporter Jane Globio in Ipil, Zamboanga del Sur:

[Globio] Ten people were reportedly kidnapped by the attackers of Ipil Town in Zamboanga del Sur yesterday. Two of those abducted were identified by Southern Command Chief General Regino Lacson as Jaime Alimpus, village chief of Dona Josefa, Ipil and Jocelyn Ortega, an engineer who is working in a water project in the village. The two are believed to be dead.

Among those who were also kidnapped by suspected Abu Sayyaf and Moro National Liberation Front members were five village councillors, two village chiefs, and a civilian. The victims were abducted while the rebels were escaping from government forces.

Meanwhile, General Arturo Enrile, Armed Forces of the Philippines chief of staff, has ordered the Southern Command to intensify its offensives against the terrorists. Enrile said the gun battle between the terrorists and the government troops continues in the mountain areas of Zamboanga del Sur. According to a report, the rebels are in a firefight in Gatas Village in Bitay Town, approximately one hour from Ipil.

The Southern Command has sent four helicopters to the area to meet the rebels [broadcast interrupted for five seconds] ...in Ipil that the attackers are not natives of Zamboanga. He said one of the motives might be—if the Abu Sayyaf were the ones who made the raid—to retaliate for the arrest of six foreign terrorists who are allegedly connected to the Muslim rebels. It might also be that the motive in the Ipil attack is just pure banditry. Whatever it might be, he said, the military is on alert in the region for another attack by the rebels.

In a related development, PNP Regional Command 9 Commander Colonel Orville Gabuna said the 4th Mobile Force of the PNP is on the way to reinforce the police in Ipil.

Attack Detailed

BK0504023995 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 4 Apr 95

[FBIS Translated Text] Over a hundred people are estimated to have been killed by the Abu-Sayyaf terrorists when they launched a surprised attack in the municipality of Ipil in Zamboanga del Sur. So far, only 28 of these have been identified. In this connection, the president released a shoot-to-kill order against the group. According to Edwin Angeles, a former Abu-Sayyaf guerrilla, it is possible his former companions are responsible for the attack. Angeles added that the possible motive for the attack by the Muslim bandits is to avenge the arrest of six Arabs in Caloocan last Saturday. The six Arabs are suspected of being terrorists. PNP [Philippine National Police] Chief Recarido Sarmiento links the six Arabs to Ramzi Yusuf, prime suspect in the World Trade bombing in 1993 in New York.

[Begin Sarmiento recording in progress, in English] ...the international terrorist are supporting the Abu-Sayyaf in the form of training. [end recording]

President Ramos placed the municipality of Ipil under a state of emergency. He released an emergency fund of 15 million [Philippine] pesos for the evacuation and other needs of the residents. The president also ordered the Health and Social Welfare Departments to oversee the conditions of those affected.

Eight wounded army troopers were brought to the Southcom [South Command] hospital. The attackers held-up seven banks and burned houses and 50 other buildings. They also fired at civilians and a police outpost using several bazookas. According to reports, they sprayed bullets at sales girls and at tricycle drivers in a shed. The attackers exchanged shots for a long time with the government troops who came to rescue the civilians. Among the casualties are Ipil Police Inspector Reynaldo Villavieja, Major David Sabido, and Sergeant Abacon of the 102d Infantry Battalion and seven employees of the Allied Bank. Two bank managers were held hostage. Also killed were members of a fire-fighting group.

Alunan [Department of Interior and Local Government Secretary] directed the local executives and PNP to be alert for further possible disruptions related to the massacre.

[Begin Alunan recording, in English] I would like all of you to get together to upgrade and activate the public safety (?equipment) and to focus especially on the following areas:

(1) Intelligence gathering; ensure that the public maintains very good communication lines with you so that they can give you timely and accurate information;

(2) Fire protection capability;

(3) Intensification of foot patrols;

(4) Disaster relief preparedness.

We do not want to see a repeat of such cowardly acts of reprisal by the Abu-Sayyaf on other helpless and peaceful towns in Mindanao. [end recording]

About a hundred terrorists entered the town of Ipil aboard a bus and several pump boats, while other members met them within the town of Ipil.

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Thailand

Minister Denies U.S. Report on Terrorist Support

BK0504050595 Bangkok PHUCHATKAN in Thai 5 Apr 95 p 16

[FBIS Translated Text] Government House—Finance Minister Tharin Nimmanhemin informed the cabinet meeting of a report on a statement made by the United States that Thai financial institutions have been providing financial support to terrorist organizations in the Middle East. He said he had examined the report and found that no accusation had been made against Thailand, adding that he could reaffirm that the report was groundless. He admitted that the Thai Embassy had received a letter from President Clinton, but the letter only dealt with U.S. policy in this regard. Moreover, the letter was sent to other countries around the world, not just Thailand as reported. The letter was forwarded to the minister along with comments by the Thai Embassy that the issue does not pertain to Thailand.

Prime Minister Orders 'Protest' Against Burma

BK0504033595 Bangkok BANGKOK POST in English 5 Apr 95 p 12

[FBIS Transcribed Text] Prime Minister Chuan Likphai has ordered Thai authorities at all levels to protest to the Rangoon government after its troops shot dead a Thai man at the Thai-Burmese border in Mae Sai District, Chiang Rai Province, on Sunday.

Government spokesman Akkhaphon Sonsuchat said that under the Prime Minister's order, the protest is to be made by the Joint Thai-Burmese Border Committee (at both local and national levels) as well as by the Defence and Foreign ministries.

"The Prime Minister has informed all agencies concerned, strongly confirming that Thailand has never taken such violent action against either Burmese citizens or Burmese soldiers. The killing of a Thai by Burmese troops is regarded as a crime and we must prevent a recurrence of such incidents," the spokesman quoted the Prime Minister as saying.

Mr. Akkhaphon said that according to a report to the Cabinet by Defence Minister Wichit Sukmak, the dead man was Thawi Khamtankaeo, 38, from Chiang Saen District, Chiang Rai.

Mr. Akkhaphon quoted the report as saying that Mr. Thawi travelled on a Burmese raft to buy goods at Burma's Tachilek market, but when he was about to leave he was spotted by a group of Burmese troops who seized from him a gun which was found later to be a plastic toy gun.

As Mr. Thawi tried to escape the Burmese troops by crossing the river back to Thailand, he was shot in the back.

The report also said that Mr. Thawi suffered from mental illness.

Meanwhile, Deputy Foreign Minister Surin Phitsuwan defended the dead man, saying that although he was mentally ill he was a human being who had the right to live.

"We are extremely sad about the incident. Whenever an incident takes place, the Burmese Government normally claims that it is the work of other groups which are not under its jurisdiction.

"But this incident was obviously carried out by its troops and it must give us a clear and satisfying explanation. If it refuses to do so, the two countries' relations, border problems, economic ties and others will be greatly affected," said Mr. Surin.

Army Chief Calls Visit to Cambodia 'Unofficial'

BK0404071795 Bangkok BANGKOK POST in English 4 Apr 95 p 11

[FBIS Transcribed Text] Army Commander-in-Chief Gen. [General] Wimon Wongwanit yesterday said his planned visit to Cambodia will be unofficial.

Gen. Wimon was referring to a report that his trip would be an official one.

He said he has planned the visit since Cambodia's Second Prime Minister Hun Sen and Defence Minister Gen. Tie Banh expressed their desire to meet and talk to him.

So he decided that he would go there in an unofficial capacity when the opportunity arose.

"I will ask them about our problems as we are neighbours sharing a common border. I want to reaffirm that the trip will not be for talks on particular matters," he said.

On Cambodia's request for Thailand to open more border passes, Gen. Wimon said many factors including security and safety in life and properties of the people must be taken into consideration.

The military is of the opinion that no more border passes should be opened as long as the people's safety cannot be guaranteed, Gen. Wimon said.

Cambodian Shells Land in Thai Territory

BK0404092495 Bangkok BANGKOK POST in English 4 Apr 95 p 11

[FBIS Transcribed Text] More than fifty artillery and mortar shells landed on the Thai side of the Thai-Cambodian border yesterday as a result of ongoing fighting between Cambodian soldiers and the Khmer Rouge.

The first six mortar shells, which caused no casualties but slightly damaged three houses on the border road

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between Khlong Luek and Wang Mon villages, prompted Thai soldiers to fire two warning shots.

The mortar fire, which started around noon, was aimed at Poipet but strayed across the border, prompting the Thai immigration office at Ban Khlong Luek to temporarily ban Thai tourists from travelling to Poipet.

More shells from 82-mm mortars and 100-mm guns continued to land on Thai soil after that, despite the warning shots.

A military source at Aranyaprathet said the scene of the heaviest fighting was opposite the Thai village of Laem Nong Ian, 15 kilometres southeast of Aranyaprathet.

There has so far been no sign that the fighting will subside as Military Region 5 commander Lt. Gen. [Lieutenant General] In Sedere has reportedly despatched ten further T-54 and T-55 tanks from Battambang to the 12th Division at Ban Nimit on Route 5, indicating that Cambodian government forces will continue with the offensive.

Cambodian Armed Forces deputy chief of staff Gen. Nhock Bunchhai has reportedly ordered both the 12th and 7th Divisions to continue with the effort to capture Khmer Rouge strongholds on the Phnum Malai mountains.

Meanwhile, the Khmer Rouge have continued to shell Poipet with 82-mm mortars causing many traders to close their shops.

However, the transport of essential goods such as cement and steel rods for construction as well as consumer goods has continued as usual. The daily trade volume is around 30 million baht.

Central Bank Intervening To Steady Rise in Baht

BK0504104995 Bangkok BANGKOK POST in English 5 Apr 95 p 21

[FBIS Transcribed Text] The persistent and steep depreciation of the US dollar is believed to have prompted the Bank of Thailand to adjust the weights of the basket of currencies several times in the past few weeks to soften the baht's appreciation and lessen the blow to the economy.

A money trader at Bank of America said the dollar had broken its record lows several times during the last two months, causing the baht to continually strengthen against the greenback. The dollar's weight is believed to account for 75-80 percent in the basket of currencies used to calculate the baht's value.

He commented that when taking into account the rising Japanese yen and German mark, the baht ought to have already appreciated against the dollar by at least 20 satang to 24.40 baht. But the central bank would not let it sink below the 24.60 benchmark right now. However, he believed the baht would eventually rise to 24.50 baht per dollar soon.

The baht's median rate against the dollar yesterday plummeted to a record low of 24.60, while the greenback depreciated to hit another record low of 85.55 yen and 1.3670 mark. The Bundesbank tried to lead the world market to prop up the dollar by cutting its 15-day repurchase rate to 4.5 percent from 4.85 percent. The move managed to pull the greenback up slightly to 86.30 yen and 1.3740 mark.

The money trader believed the Bank of Thailand was left with no choice but to adjust the country's basket of currencies and calculate foreign exchange on a day-to-day basis to avoid adverse impact on the export sector, which is mainly responsible for the high growth of the economy.

Thiraphong Monthianwichianchai, deputy general manager of Deutsche Bank, said the Bundesbank's recent rate cut would not help the dollar much. It would help lead the markets in the short term only, as the markets now had lost confidence in the dollar. The only active group trading the currency was speculators.

He predicted the dollar would not likely recover soon. Whenever the greenback tried to make a comeback by whatever factors, enormous supplies would flood the markets to make profits, driving it down again. The greenback's bounce-up at present is nothing more than the effort to continue testing its previous low before dropping again.

Since Monday, central banks around the world, particularly the US Federal Reserve Board and the Bank of Japan [BOJ], have been intervening to prop up the dollar but to no avail. Each dollar intervention was small when compared with the entire amount of greenbacks circulating worldwide.

The main factor affecting the lack of confidence in the dollar is the recent failure of trade talks between the US and Japan, especially the enormous deficits in the auto sector which is responsible for two-thirds of the entire deficit between the two countries.

Another important factor contributing to the plummeting dollar is the US economic fundamentals. Currently, the country's debts are 2.6 times its Gross National Product. Even though its economy has grown in the past few years, the enormous debt problem remains to be solved.

Mr. Thiraphong said the dollar could move up a bit in the short run only when investors simultaneously speculated on the greenback when they thought the currency became sufficiently stable.

The intervention of the Fed and BOJ only serves to slow down dollar depreciation.

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Mr. Thiraphong said the continued dollar depreciation affected capital inflow only in the short term as investors did not want to face exchange risk. However in the medium and long terms, the country will see capital inflow again because the yield is very attractive taking into account the interbank rate at 13-14 percent, while inflation is only 5 percent.

What the Bank of Thailand should do is monitor inflation closely and be firm in its foreign exchange policy. Then the capital would flow in at its own course due to sufficient high rate of return in this country.

Vietnam

Do Muoi on U.S.-PRC Spratly Oil Exploration

OW0504043595 Tokyo YOMIURI SHIMBUN in Japanese 4 Apr 95 Morning Edition p 5

[By correspondent Hiroakira Hayashita]

[FBIS Translated Text] Hanoi, 3 Apr—On 3 April, Do Muoi, secretary general of the Communist Party of Vietnam, who is scheduled to make his first visit to Japan beginning 17 April, granted an interview to a group of Japanese reporters posted in Hanoi. During the interview, he disclosed that a Vietnamese oil corporation has begun oil exploration in western waters off the Spratly Islands, where Chinese and American oil companies are conducting joint oil exploration and drilling, and said: "The western waters off the Spratly Islands lie in the Vietnamese continental shelf, and it is our natural right to develop resources there. China is infringing on our sovereignty." In this way, he criticized China for conducting the oil exploration and drilling in waters off the Spratly Islands.

As for growing tensions between China and the Philippines over the Spratly Islands, he stressed anew Vietnam's sovereignty over the Spratly Islands and the Paracel Islands by saying: "It is historically clear that the two islands are Vietnam's territories."

Touching on relations with Japan, the Vietnamese leader said: "It is becoming extremely difficult for Vietnam to repay yen loans in the wake of the sharply appreciated yen. I intend to ask Prime Minister Murayama to hold down the current interest rates on yen loans and increase Japan's grant-in-aid to Vietnam." Commenting on a request from the Federation of Economic Organizations of Japan for improving the investment climate in Vietnam, Do Muoi stated: "Prime Minister Vo Van Kiet is working on a policy for lowering land prices," and then expressed his intention to keep urging Japanese enterprises to invest in Vietnam.

Secretary General Do Muoi visited ASEAN members including Singapore, Thailand, and Malaysia in the fall of 1993 on the eve of the U.S. lifting of economic sanctions against Vietnam and ASEAN decided on July this year to admit Vietnam as its member. He will visit the ROK beginning 11 April and Japan beginning 17 April and his visits to the two nations aim to enhance the Vietnamese status in the international community by expanding the Vietnamese diplomacy beyond Southeast Asia. He will fly from Seoul to Tokyo on 17 April.

Ministry Spokesman on Taiwan Action in Spratlys

BK0404155495 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 4 Apr 95

[FBIS Translated Text] In reply to reporters' questions on Taiwan's recent construction project on the Ban Than coral reef of the Truong Sa [Spratley] Archipelago and on Taiwanese troops firing on a Vietnamese cargo ship in the area, the Vietnamese Foreign Ministry's spokesman on 4 April said:

Ban Than is a coral reef of the Truong Sa Archipelago situated at 10 degrees 23.11 north latitude and 114 degrees 24.50 east longitude. Since late March 1995, the Taiwanese side has started a construction project on this coral reef. At 1500 on 25 March, when the Vietnamese cargo ship Bien Dong 80, sailing from Da Lon Island to Son Ca Island, was passing the Ban Than reef about 800 meters to the south-southwest, it was fired on by Taiwanese artillery shells of the 25-37-mm size from Ba Dinh Island, which is called Thai Binh by the Taiwanese. The shells fell about 3-15 meters from the Vietnamese cargo ship.

The Vietnamese side maintains that these are extremely serious acts violating Vietnam's sovereignty over the Truong Sa Archipelago, causing tension, and threatening peace and stability in the region.

In expressing its profound concern over this incident, the Vietnamese side has strongly protested to Taiwan and requested that it immediately withdraw its forces, facilities, and equipment from the Ban Than reef, immediately end all military acts in area of the Truong Sa Archipelago, ensure that similar acts will not recur, and take responsibility for all consequences caused by its acts.

The Vietnamese side hopes that relevant countries and parties will adopt a restrained attitude, avoid using or threatening to use force, and refrain from carrying out activities to further complicate situation in the Truong Sa Archipelago, thus contributing to the maintenance of an atmosphere of peace, stability, and cooperation for the common development of the region as stipulated in the July 1992 Manila Declaration.

Do Muoi Interviewed on ROK, Bilateral Ties

BK0504105795 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 3 Apr 95

[Interview with Do Muoi, general secretary of the Communist Party of Vietnam, by an unidentified South Korean television correspondent; place and date not given—read by announcer]

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[FBIS Translated Text] [Unidentified correspondent] Dear General Secretary, Your Excellency, could you please tell us your impressions of South Korea and its people?

[Do Muoi] Although I am going to visit the ROK on my next trip, I know through books and newspapers that the ROK was still a backward agricultural country about three decades ago, with very low average per capita income. Lately, however, it has made great economic achievements, has become an Asian dragon, and has acquired many new international technologies. The ROK's success is due to the South Korean people's efforts to move forward and enrich the country through their love of learning, hard work, and thrift and with policies suitable to the ROK's development and international environment. I hope that during my visit I will see and hear with my own eyes and ears exemplary cases of your country's efforts to develop its economy.

[Correspondent] In your opinion, what can the ROK contribute to Vietnam's current renovation?

[Do Muoi] Vietnam and the ROK are both East Asian countries with many similarities in culture and history. In the spirit of closing the past and looking toward the future, SRV-ROK relations have been developing quickly—despite being established only recently—on the basis of the principles of respecting each other's independence and sovereignty and equal cooperation for mutual benefit. The two countries can complement each other in economic development. Vietnam has plentiful manpower, diversified natural resources, and a vast market. The ROK has capital, technology, and development experience. Cooperation between the two countries will help create prosperity in each.

In that framework, we ask the ROK to strengthen cooperation with Vietnam through such forms as providing development loans with low interest; granting nongratuitous technical, educational, medical, and cultural aid; broadening trade relations; accelerating imports from Vietnam; and increasing investment in Vietnam. With their advantages, ROK business enterprises can invest in metallurgy, mechanics, energy, electronics, chemicals, and the building of industrial zones.

[Correspondent] The renovation undertaking is progressing well in Vietnam, and Vietnam's development is like that of Singapore and Thailand. Can Vietnam become a capitalist country?

[Do Muoi] Our renovation is aimed at liberating the forces of production; exploiting every potential for national construction; and achieving the goal of a prosperous population, strong nation, and equitable and civilized society. That is the true nature of renovation in the socialist direction. The past years have proved that our policy is correct and we will determinedly continue in that direction.

[Correspondent] Dear Excellency, Vietnam and the ROK have many things to learn from each other's past experiences. Your country has been united for 20 years. What are the most important lessons and precious experiences the ROK should learn?

[Do Muoi] Every country has its own history, traditions, characteristics, and specialities. By heightening the spirit of independence and the willpower of self-reliance and strengthening the national unity bloc, the Vietnamese people achieved their earnest aspiration for national unification. On that basis, we have developed the strength of the entire people to maintain peace, consolidate political and social stability, and broaden our international relations. We have made very important achievements. That is our greatest lesson.

I sincerely hope the Korean people quickly achieve peace and national unification. Thank you all, friends.

National Assembly Issues Communique No. 5

BK0504103595 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 4 Apr 95

[FBIS Translated Text] The Ninth National Assembly's Seventh Session issues Communique No. 5 as follows:

National Assembly delegates held group discussions on 3 April on the implementation of the land law and on the state's external relations activities in the recent past.

National Assembly delegates worked all day on 4 April in the Conference Hall. In the morning, under the direction of National Assembly Vice Chairman Nguyen Ha Phan, delegates discussed the draft law on mineral resources.

Fifteen delegates expressed their views: Lo Mu Ha Krong of Lam Dong, Tran Bich Nga of Haiphong, Hoang Minh Thang of Quang Nam Danang, Pham Phu and Chu Pham Ngoc Son of Ho Chi Minh City, Vu Dinh Cu of Hanoi, Nguyen Viet Hoe of Quang Ninh, Nguyen Phu Cuong of Lang Son, Nguyen Khac Tao of Ha Tinh, Nguyen Van Thuan of Binh Thuan, Ho Minh Man of Vinh Long, Nguyen Viet Dung of Ha Bac, Dam Van Nguy of Cao Bang, Nguyen Thi Kim Lien of Can Tho, and Dang Quoc Tien of Bac Thai. The delegates focused on the importance of the mineral resources law; the target groups and adjustment options of the law; the encouragement policy for mineral resource exploitation; the current situation with mineral resource exploitation; state management of mineral resource exploitation activity; regulations on prospecting, exploiting, and processing mineral resources; and inspection tasks and the handling of breaches.

After the delegates finished giving their opinions, Heavy Industry Minister Tran Lum reported on behalf of the government on a number of issues relating to the draft law on mineral resources.

In the afternoon, under the direction of National Assembly Vice Chairman Phung Van Tuu, delegates heard several reports. Justice Minister Nguyen Dinh Loc delivered a report on behalf of the government on the draft civil code of the Socialist Republic of Vietnam; Ha

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Manh Tri, chairman of the National Assembly Law Committee, read the committee's recommendations on some major issues on the draft civil code; and Nguyen Van Yeu, representative of the session's secretariat, read the summary of people's opinions given during preliminary surveys and opinions collected from all sectors and echelons on the major contents of the draft civil code.

Tomorrow the delegates will hold group discussions on the draft civil code in the morning. In the afternoon the delegates will meet in the Conference Hall to discuss the draft civil code.

* Interior Minister on Law Violations

952E0067 Hanoi DAI DOAN KET in Vietnamese 24 Feb 95 pp 1, 6

[Interview with Minister of Interior Bui Thien Ngo by Minh Tuan; place and date not given: "Interview With Bui Thien Ngo, Member of the Political Bureau and Minister of Interior on Violations of Temporary Custody and Temporary Detention Laws"]

[FBIS Translated Text] **Editor's note: The public has recently expressed its opinion on the phenomenon of deliberate arrests and detention by local public security forces, in some cases with serious consequences, and even deaths, resulting from it. DAI DOAN KET put some questions to Minister of Interior Bui Thien Ngo, who was kind enough to answer them. Following is the text of DAI DOAN KET's interview with Comrade Bui Thien Ngo.**

[Tuan] How do the laws rule on arrests, custody, and temporary detention? Particularly in connection with the public security forces at the subward, village, precinct, and district levels? At their headquarters, are the subward and village public security forces allowed to build separate houses to hold persons being in their custody? What are the rules about classifying persons they have in their custody for various kinds of separate confinement in detention camps?

[Ngo] Arrests, temporary custody, and temporary detention are determined in the texts of the laws on criminal procedures, such as Law 103-SL/L005, dated 20 May 1957, and Decree 002-SLT, dated 18 June 1957, of the chief of state; and the 1988 Code on Criminal Procedures (from article 62 to article 73) clearly and strictly sets rules about the arrest, temporary custody, and temporary detention of persons who have committed crimes so as to ensure the habeas corpus of citizens and to fight against crime today.

The power of subward and village public security forces in this matter has been clearly defined: They are empowered to arrest those who are caught in the act of committing a crime and those persons who are wanted. They can bring them to the precinct and district public security offices along with any files and evidence for investigation and prosecution as the law requires. If, while doing rounds or through denunciation provided by cadres and the people, they catch a suspect or person who is committing a crime, they can bring him to their headquarters, and promptly investigate him. Then based on the conclusions they will make a report and either bring the suspect to the higher authorities or impose an administrative fine. They must get their statements and determine the nature of their crime within 24 hours at the headquarters of the subward and village public security forces, under cadres' supervision, and without resorting to tying, shackling, torturing, or imposing any corporal punishment.

—**At the headquarters of subward and village public security forces, they are not allowed to build separate cells to confine persons in temporary custody and temporary detention.**

—According to Decree 149/HDBT, dated 5 May 1992, of the Council of Ministers (now the Government), each precinct, district, and equivalent administrative level can have a temporary custody house, where there can be many cells being used to confine persons against whom a warrant has been issued and persons who are held under the investigating and trying power of the precinct and district level.

—To classify persons for various kinds of confinement in temporary detention camps is also clearly determined by Decree 149/HDBT (article 11) as follows:

—Individual cells for persons who have been sentenced to death by the court.

—Various kinds of temporary custody and temporary detention cells for:

a. Suspects who are minors;

b. Suspects who are women;

c. Suspects who are infected with an infectious disease;

d. Suspects who belong to the kinds of brutal hooligans and hoodlums having committed strong-arm robberies and murders, and dangerous repeaters.

e. Suspects who have violated national security.

Persons who are involved in the same case under investigation are not to be confined together with those who are involved in another case.

[Tuan] What are the measures taken by the Ministry of Interior to ensure serious enforcement of the laws on temporary custody and temporary detention in the case of persons who have not yet been tried? How do you handle those public security cadres who have caused serious consequences as they violated the laws on temporary custody and temporary detention?

[Ngo] Soon after the laws on temporary custody and temporary detention were issued along with Decree 149/HDBT of the Council of Ministers (now the Government) on 5 May 1992, the Ministry of Interior has

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provided all units and localities with many legal documents, such as the following ones, which serve as guidelines for them to seriously enforce such laws:

—Directive 14, dated 25 August 1993, on a number of urgent measures aimed at reorganizing the management of temporary custody and temporary detention in temporary detention camps and temporary custody houses.

—Decision 07, dated 18 January 1994, on the establishment of outpatient clinics in temporary detention camps and prisons.

—Interministerial Circular 01, dated 2 March 1994, of the Ministries of Interior, National Defense, Finance, and Public Health on such services to be provided to persons who are held in temporary custody or detention as food, lodging, clothes, daily activities, prevention and control of epidemics, and medical examination and treatment.

—Directive 16/BNV, dated 30 November 1994, of the Ministry of Interior on the urgent measures to be taken to reorganize the arrest, confinement, investigation, and handling of persons who have committed a crime, for the purpose of strengthening and consolidating the various aspects of arrest and detention.

In addition to the documents and directives serving as legal guidelines, the Ministry of Interior regularly organizes control and inspection of arrest and detention to uncover any violations and to make timely correction. In 1994, it organized 170 rounds of inspection in 159 units of the public security forces in 44 localities throughout the country. It uncovered and corrected many violations, such as lack of basis for arrests, violations of procedures in regard to arrest and detention, beatings of arrested persons, shortcomings during detention, and so on.

It drew experience from and organized advanced professional and legal training for 240 cadres holding managerial positions in temporary detention camps and temporary custody houses of localities, and opened training courses in arrest and custody for 3,758 public security cadres (only in 1994) at the village and subward level.

But it is regrettable that in quite a few localities there were violations of the laws on temporary custody and temporary detention, mostly at the village and subward level, and in some cases at the district level. We in the Ministry of Interior fully realize the adverse effects of these violations; therefore, we have made and will be making greater efforts to educate cadres and soldiers so that they would uphold the laws and the spirit of respecting and serving the people.

—As to public security cadres and soldiers who violate the laws by arresting and detaining persons in an irresponsible manner, while carrying out their managerial work, the Ministry of Interior advocates punishing them in a fair and timely manner and refusing to cover up for them. In 1994 alone, we started the proceedings for investigation of the public security cadres who had arrested persons illegally and thus caused serious consequences in the Provinces of Ben Tre, Quang Ninh, Bac Thai, Nghe An, Minh Hai, and so on; prosecuted 13 cadres and soldiers who had violated the laws on arrest, temporary custody, and temporary detention; and expelled from the public security forces nine persons and imposed administrative measures on a number of other cases. In some localities, public security directors visited the families of those who had been inflicted damage, to apologize and to remedy the consequences. After such visits, they disseminated the information on the experience in the entire forces and proceeded with an overall reorganization, for the purpose of educating cadres and avoiding similar wrongdoings.

—In order to continue seriously enforcing the laws, to strengthen the fight against crime, and to maintain security and order in the present situation, the Ministry of Interior is reviewing and perfecting its regulations and continuing to provide the public security forces at all levels, mostly at the subward and village level, with advanced professional and legal training so as to raise the quality of arrest and detention and the handling of criminals and violations, and to raise the confidence and assistance of the people.

—Let me add that the crime situation in the last few years showed complicated changes, with hooliganism and cruelty becoming more serious and with hostile acts against law enforcement people being on the rise; in 1994 alone, we had to prosecute 352 persons in 245 cases—this is a social phenomenon that is related to many aspects and many sectors and deserve our attention and efforts to study and resolve.

I sincerely thank the editors of DAI DOAN KET for creating favorable conditions for the Ministry of Interior to present its case to the public and its readers.

[Tuan] We respectfully thank you, beloved Minister.

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